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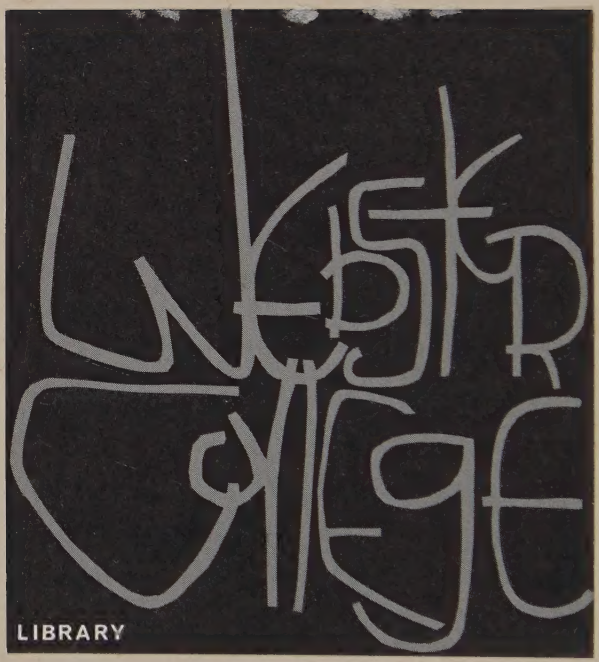

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PAPERS RELATING TO THE FOREIGN RELATIONS OF THE UNITED STATES

U.S. Dept. of State

WITH THE ADDRESS OF THE PRESIDENT TO CONGRESS DECEMBER 2, 1913 :: :: ::

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ADDRESS OF THE PRESIDENT.

Mr. Speaker, Mr. President, Gentlemen of the Congress:

In pursuance of my constitutional duty to "give to the Congress information of the state of the Union," I take the liberty of addressing you on several matters which ought, as it seems to me, particularly to engage the attention of your honorable bodies, as of all who study the welfare and progress of the Nation.

I shall ask your indulgence if I venture to depart in some degree from the usual custom of setting before you in formal review the many matters which have engaged the attention and called for the action of the several departments of the Government or which look to them for early treatment in the future, because the list is long, very long, and would suffer in the abbreviation to which I should have to subject it. I shall submit to you the reports of the heads of the several departments, in which these subjects are set forth in careful detail, and beg that they may receive the thoughtful attention of your committees and of all Members of the Congress who may have the leisure to study them. Their obvious importance, as constituting the very substance of the business of the Government, makes comment and emphasis on my part unnecessary.

The country, I am thankful to say, is at peace with all the world, and many happy manifestations multiply about us of a growing cordiality and sense of community of interest among the nations, foreshadowing an age of settled peace and good will. More and more readily each decade do the nations manifest their willingness to bind themselves by solemn treaty to the processes of peace, the processes of frankness and fair concession. So far the United States has stood at the front of such negotiations. She will, I earnestly hope and confidently believe, give fresh proof of her sincere adherence to the cause of international friendship by ratifying the several treaties of arbitration awaiting renewal by the Senate. In addition to these, it has been the privilege of the Department of State to gain the assent, in principle, of no less than 31 nations, representing four-fifths of the population of the world, to the negotiations of treaties by which it shall be agreed that whenever differences of interest or of policy arise which can not be resolved by the ordinary processes of diplomacy

they shall be publicly analyzed, discussed, and reported upon by a tribunal chosen by the parties before either nation determines its course of action.

There is only one possible standard by which to determine controversies between the United States and other nations, and that is compounded of these two elements: our own honor and our obligations to the peace of the world. A test so compounded ought easily to be made to govern both the establishment of new treaty obligations and the interpretation of those already assumed.

There is but one cloud upon our horizon. That has shown itself to the south of us, and hangs over Mexico. There can be no certain prospect of peace in America until Gen. Huerta has surrendered his usurped authority in Mexico; until it is understood on all hands, indeed, that such pretended governments will not be countenanced or dealt with by the Government of the United States. We are the friends of constitutional government in America; we are more than its friends, we are its champions: because in no other way can our neighbors, to whom we would wish in every way to make proof of our friendship, work out their own development in peace and liberty. Mexico has no Government. The attempt to maintain one at the City of Mexico has broken down, and a mere military despotism has been set up which has hardly more than the semblance of national authority. It originated in the usurpation of Victoriano Huerta, who, after a brief attempt to play the part of constitutional President, has at last cast aside even the pretense of legal right and declared himself dictator. As a consequence, a condition of affairs now exists in Mexico which has made it doubtful whether even the most elementary and fundamental rights either of her own people or of the citizens of other countries resident within her territory can long be successfully safeguarded, and which threatens, if long continued, to imperil the interests of peace, order, and tolerable life in the lands immediately to the south of us. Even if the usurper had succeeded in his purposes, in despite of the constitution of the Republic and the rights of its people, he would have set up nothing but a precarious and hateful power, which could have lasted but a little while, and whose eventual downfall would have left the country in a more deplorable condition than ever. But he has not succeeded. He has forfeited the respect and the moral support even of those who were at one time willing to see him succeed. Little by little he has been completely isolated. By a little every day his power and prestige are crumbling and the collapse is not far away. We shall not, I believe, be obliged to alter our policy of watchful waiting. And then, when the end comes, we shall hope to see con-

stitutional order restored in distressed Mexico by the concert and energy of such of her leaders as prefer the liberty of their people to their own ambitions.

I turn to matters of domestic concern. You already have under consideration a bill for the reform of our system of banking and currency, for which the country waits with impatience, as for something fundamental to its whole business life and necessary to set credit free from arbitrary and artificial restraints. I need not say how earnestly I hope for its early enactment into law. I take leave to beg that the whole energy and attention of the Senate be concentrated upon it till the matter is successfully disposed of. And yet I feel that the request is not needed—that the Members of that great House need no urging in this service to the country.

I present to you, in addition, the urgent necessity that special provision be made also for facilitating the credits needed by the farmers of the country. The pending currency bill does the farmers a great service. It puts them upon an equal footing with other business men and masters of enterprise, as it should; and upon its passage they will find themselves quit of many of the difficulties which now hamper them in the field of credit. The farmers, of course, ask and should be given no special privilege, such as extending to them the credit of the Government itself. What they need and should obtain is legislation which will make their own abundant and substantial credit resources available as a foundation for joint, concerted local action in their own behalf in getting the capital they must use. It is to this we should now address ourselves.

It has, singularly enough, come to pass that we have allowed the industry of our farms to lag behind the other activities of the country in its development. I need not stop to tell you how fundamental to the life of the Nation is the production of its food. Our thoughts may ordinarily be concentrated upon the cities and the hives of industry, upon the cries of the crowded market place and the clangor of the factory, but it is from the quiet interspaces of the open valleys and the free hillsides that we draw the sources of life and of prosperity, from the farm and the ranch, from the forest and the mine. Without these every street would be silent, every office deserted, every factory fallen into disrepair. And yet the farmer does not stand upon the same footing with the forester and the miner in the market of credit. He is the servant of the seasons. Nature determines how long he must wait for his crops, and will not be hurried in her processes. He may give his note, but the season of its maturity depends upon the season when his crop matures, lies at the gates of the market where his products are sold. And the security he gives is of a char-

acter not known in the broker's office or as familiarly as it might be on the counter of the banker.

The Agricultural Department of the Government is seeking to assist as never before to make farming an efficient business, of wide cooperative effort, in quick touch with the markets for foodstuffs. The farmers and the Government will henceforth work together as real partners in this field, where we now begin to see our way very clearly and where many intelligent plans are already being put into execution. The Treasury of the United States has, by a timely and well-considered distribution of its deposits, facilitated the moving of the crops in the present season and prevented the scarcity of available funds too often experienced at such times. But we must not allow ourselves to depend upon extraordinary expedients. We must add the means by which the farmer may make his credit constantly and easily available and command when he will the capital by which to support and expand his business. We lag behind many other great countries of the modern world in attempting to do this. Systems of rural credit have been studied and developed on the other side of the water while we left our farmers to shift for themselves in the ordinary money market. You have but to look about you in any rural district to see the result, the handicap and embarrassment which have been put upon those who produce our food.

Conscious of this backwardness and neglect on our part, the Congress recently authorized the creation of a special commission to study the various systems of rural credit which have been put into operation in Europe, and this commission is already prepared to report. Its report ought to make it easier for us to determine what methods will be best suited to our own farmers. I hope and believe that the committees of the Senate and House will address themselves to this matter with the most fruitful results, and I believe that the studies and recently formed plans of the Department of Agriculture may be made to serve them very greatly in their work of framing appropriate and adequate legislation. It would be indiscreet and presumptuous in anyone to dogmatize upon so great and many-sided a question, but I feel confident that common counsel will produce the results we must all desire.

Turn from the farm to the world of business which centers in the city and in the factory, and I think that all thoughtful observers will agree that the immediate service we owe the business communities of the country is to prevent private monopoly more effectually than it has yet been prevented. I think it will be easily agreed that we should let the Sherman antitrust law stand, unaltered, as it is, with its debatable ground about it, but that we should as much as possible reduce the area of that debatable ground by further and more ex-

plicit legislation; and should also supplement that great act by legislation which will not only clarify it but also facilitate its administration and make it fairer to all concerned. No doubt we shall all wish, and the country will expect, this to be the central subject of our deliberations during the present session; but it is a subject so many-sided and so deserving of careful and discriminating discussion that I shall take the liberty of addressing you upon it in a special message at a later date than this. It is of capital importance that the business men of this country should be relieved of all uncertainties of law with regard to their enterprises and investments and a clear path indicated which they can travel without anxiety. It is as important that they should be relieved of embarrassment and set free to prosper as that private monopoly should be destroyed. The ways of action should be thrown wide open.

I turn to a subject which I hope can be handled promptly and without serious controversy of any kind. I mean the method of selecting nominees for the Presidency of the United States. I feel confident that I do not misinterpret the wishes or the expectations of the country when I urge the prompt enactment of legislation which will provide for primary elections throughout the country at which the voters of the several parties may choose their nominees for the Presidency without the intervention of nominating conventions. I venture the suggestion that this legislation should provide for the retention of party conventions, but only for the purpose of declaring and accepting the verdict of the primaries and formulating the platforms of the parties; and I suggest that these conventions should consist not of delegates chosen for this single purpose, but of the nominees for Congress, the nominees for vacant seats in the Senate of the United States, the Senators whose terms have not yet closed, the national committees, and the candidates for the Presidency themselves, in order that platforms may be framed by those responsible to the people for carrying them into effect.

These are all matters of vital domestic concern, and besides them, outside the charmed circle of our own national life in which our affections command us, as well as our consciences, there stand out our obligations toward our territories over sea. Here we are trustees. Porto Rico, Hawaii, the Philippines, are ours, indeed, but not ours to do what we please with. Such territories, once regarded as mere possessions, are no longer to be selfishly exploited; they are part of the domain of public conscience and of serviceable and enlightened statesmanship. We must administer them for the people who live in them and with the same sense of responsibility to them as toward our own people in our domestic affairs. No doubt we shall success-

fully enough bind Porto Rico and the Hawaiian Islands to ourselves by ties of justice and interest and affection, but the performance of our duty toward the Philippines is a more difficult and debatable matter. We can satisfy the obligations of generous justice toward the people of Porto Rico by giving them the ample and familiar rights and privileges accorded our own citizens in our own territories, and our obligations toward the people of Hawaii by perfecting the provisions for self-government already granted them; but in the Philippines we must go further. We must hold steadily in view their ultimate independence, and we must move toward the time of that independence as steadily as the way can be cleared and the foundations thoughtfully and permanently laid.

Acting under the authority conferred upon the President by Congress, I have already accorded the people of the islands a majority in both houses of their legislative body by appointing five instead of four native citizens to the membership of the commission. I believe that in this way we shall make proof of their capacity in counsel and their sense of responsibility in the exercise of political power, and that the success of this step will be sure to clear our view for the steps which are to follow. Step by step we should extend and perfect the system of self-government in the islands, making test of them and modifying them as experience discloses their successes and their failures; that we should more and more put under the control of the native citizens of the archipelago the essential instruments of their life, their local instrumentalities of government, their schools, all the common interests of their communities, and so by counsel and experience set up a government which all the world will see to be suitable to a people whose affairs are under their own control. At last, I hope and believe, we are beginning to gain the confidence of the Filipino peoples. By their counsel and experience, rather than by our own, we shall learn how best to serve them and how soon it will be possible and wise to withdraw our supervision. Let us once find the path and set out with firm and confident tread upon it and we shall not wander from it or linger upon it.

A duty faces us with regard to Alaska which seems to me very pressing and very imperative; perhaps I should say a double duty, for it concerns both the political and the material development of the Territory. The people of Alaska should be given the full territorial form of government, and Alaska, as a storehouse, should be unlocked. One key to it is a system of railways. These the Government should itself build and administer, and the ports and terminals it should itself control in the interest of all who wish to use them for the service and development of the country and its people.

But the construction of railways is only the first step; is only thrusting in the key to the storehouse and throwing back the lock

and opening the door. How the tempting resources of the country are to be exploited is another matter, to which I shall take the liberty of from time to time calling your attention, for it is a policy which must be worked out by well-considered stages, not upon theory, but upon lines of practical expediency. It is part of our general problem of conservation. We have a freer hand in working out the problem in Alaska than in the States of the Union; and yet the principle and object are the same, wherever we touch it. We must use the resources of the country, not lock them up. There need be no conflict or jealousy as between State and Federal authorities, for there can be no essential difference of purpose between them. The resources in question must be used, but not destroyed or wasted; used, but not monopolized upon any narrow idea of individual rights as against the abiding interests of communities. That a policy can be worked out by conference and concession which will release these resources and yet not jeopard or dissipate them, I for one have no doubt; and it can be done on lines of regulation which need be no less acceptable to the people and governments of the States concerned than to the people and Government of the Nation at large, whose heritage these resources are. We must bend our counsels to this end. A common purpose ought to make agreement easy.

Three or four matters of special importance and significance I beg that you will permit me to mention in closing.

Our Bureau of Mines ought to be equipped and empowered to render even more effectual service than it renders now in improving the conditions of mine labor and making the mines more economically productive as well as more safe. This is an all-important part of the work of conservation; and the conservation of human life and energy lies even nearer to our interest than the preservation from waste of our material resources.

We owe it, in mere justice to the railway employees of the country, to provide for them a fair and effective employers' liability act; and a law that we can stand by in this matter will be no less to the advantage of those who administer the railroads of the country than to the advantage of those whom they employ. The experience of a large number of the States abundantly proves that.

We ought to devote ourselves to meeting pressing demands of plain justice like this as earnestly as to the accomplishment of political and economic reforms. Social justice comes first. Law is the machinery for its realization and is vital only as it expresses and embodies it.

An international congress for the discussion of all questions that affect safety at sea is now sitting in London at the suggestion of our

own Government. So soon as the conclusions of that congress can be learned and considered we ought to address ourselves, among other things, to the prompt alleviation of the very unsafe, unjust, and burdensome conditions which now surround the employment of sailors and render it extremely difficult to obtain the services of spirited and competent men such as every ship needs if it is to be safely handled and brought to port.

May I not express the very real pleasure I have experienced in cooperating with this Congress and sharing with it the labors of common service to which it has devoted itself so unreservedly during the past seven months of uncomplaining concentration upon the business of legislation? Surely it is a proper and pertinent part of my report on "the state of the Union" to express my admiration for the diligence, the good temper, and the full comprehension of public duty which has already been manifested by both the Houses; and I hope that it may not be deemed an impertinent intrusion of myself into the picture if I say with how much and how constant satisfaction I have availed myself of the privilege of putting my time and energy at their disposal alike in counsel and in action.

LIST OF PAPERS, WITH SUBJECTS OF CORRESPONDENCE.

No.	From and to whom.	Date.	Subject.	Page.
		1912.		
	Circular	Dec. 21	Certificates of inspection of nursery stock. Incloses circular from the Department of Agriculture issued Dec. 20, 1912, containing the text of the "Plant Quarantine Act" of Aug. 20, 1912, and the rules and regulations for carrying out the act; instructions concerning distribution thereof.	1
	Do	Dec. 30	International rifle-shooting tournament. Incloses invitation to riflemen to take part in the tournament to be held at Camp Perry, Ohio, in September, 1913.	1
		1913.		
	Do	Jan. 14	Statement by Senator Root Nov. 25, 1912, repudiating sentiments attributed to him in relation to Latin America. Instruction to make use thereof if occasion arise.	4
	Do	Feb. 7	Plant Quarantine Act. Refers to the above circular of Dec. 21, 1912, and incloses directions prepared by the Department of Agriculture for inspection and certification, with explanatory remarks.	2
	Do	Feb. 28	Expatriation of naturalized citizens. Refers to instruction of Apr. 19, 1907, and amending instruction of May 14, 1908; instructs that exceptional treatment should be given certain naturalized citizens temporarily residing in countries near to the United States, and states the Department's rule prescribed therefor.	
	Do	Mar. 12	Declaration of policy with regard to Latin America. Quotes a statement made by the President on Mar. 11 for publication.	
	Do	Mar. 13	Speech of Senator Root in the Senate, Jan. 16, 1913, repudiating sentiments attributed to him in relation to Latin America. Refers to the circular of Jan. 14, 1913, and incloses text of the speech of Jan. 16, in the Senate.	
	Do	Apr. 24	Peace Plan of the President. Statement made by the Secretary of State on presenting the President's Peace Plan to the Representatives, some 36 in number, of the Foreign Governments who constitute the Diplomatic Circle at Washington.	
	Do	July 7	Same subject. Supplementary memorandum	9
	Do	Aug. 12	Same subject. Transmits copy of treaty with Salvador and instructs to explain the tentative nature of the suggestions made.	11
	Do	Sept. 17	Invitation to the Panama-Pacific International Exposition to be held at San Francisco in 1915. Refers to circular of Feb. 5, 1912, and instructs to invite the sending of war vessels and Government representatives to the naval review at Hampton Roads.	13
	Circular (telegram)	Sept. 23	Peace Plan of the President. Instruction to urge consideration of details of the Peace Plan.	11
	Circular	Oct. 29	Prohibition of importation of aigrettes, egret plumes, etc. Notes that this prohibition extends to the prohibited plumage when brought in as baggage, with no exception in the case of the ladies of the families of diplomatic officers.	12
	Do	Dec. 18	Peace Plan of the President. Incloses copies of the treaties with Salvador and Netherlands and instructs to bring the peace plan again to the attention of the Government.	12

ARGENTINA.

		1913.		
	Mr. Garrett to Mr. Bryan (telegram).	June 30	Presentation of a statue of George Washington to Argentina by American citizens resident there. The presentation will take place on the 4th of July, and a message from the President would be highly appreciated.	15
	Mr. Wilson to Mr. Saenz Peña (telegram).	July 4	Same subject. Congratulations	15

ARGENTINA—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
187	Mr. Garrett to Mr. Bryan..	July 5	Same subject. Report on the celebration, inclosing speeches, and the reply of the President of Argentina to the President.	15
778	Mr. Bartleman to Mr. Bryan.	July 18	Same subject. Transmits one of the bronze medals commemorating the dedication of the monument.	19
87	Mr. Bryan to Mr. Garrett..	Aug. 27	Same subject. Expresses the President's thanks for the gold plaque sent to him in commemoration of the dedication.	19
	Mr. Bryan to Mr. Bartleman.	Sept. 13	Same subject. Refers to his No. 778 and incloses the acknowledgment by the Acting Librarian of Congress of the bronze medal, which had been forwarded to the Library.	19

AUSTRIA-HUNGARY.

		1913.		
305	Mr. Bryan to Mr. Grant-Smith.	July 16	Arrest and imprisonment of naturalized American citizens on the charge of evasion of military service. Incloses information concerning the arrest of Julius Reich, a naturalized citizen of the United States, the retention of his naturalization certificate and other valuables; instructs him to request that local officials be instructed to respect the naturalization of such citizens in the future and to restore the liberty and property of Julius Reich.	21
514	Mr. Grant-Smith to Mr. Bryan.	Aug. 4	Same subject. In view of Department's No. 305 of July 16, and of the frequent arrests and imprisonment in Austria-Hungary of naturalized American citizens on the charge of evasion of military service, the Chargé d'Affaires has addressed the Foreign Office on the subject; his note inclosed.	22
318	Mr. Bryan to Mr. Grant-Smith.	Aug. 26	Same subject. His note to the Foreign Office, inclosed with his despatch No. 514, approved.	23
528	Mr. Grant-Smith to Mr. Bryan.	Sept. 4	Same subject. Julius Reich was set at liberty and his certificate of naturalization and money were returned to him on July 16.	23

BRAZIL.

		1911.		
	Mr. Fowler to Mr. Knox...	July 12	Valorization of coffee. Requests that the vice Consul General at Rio de Janeiro be instructed to furnish information on this subject to the Department of Justice.	39
	Mr. Knox to Mr. Slechta...	July 20	Same subject. Instructs him to comply with the above request.	39
758	Mr. Dudley to Mr. Knox...	Aug 28.	Termination of Extradition Treaty of 1897, and protocols of 1898 and 1903, between the United States and Brazil. By the passage of the Act of June 28, 1911, the Government is required to denounce all existing treaties of extradition but no action will be taken until the Supreme Court shall have decided on the constitutionality of the statute. Incloses the text of the statute.	25
	Mr. Chantland to Mr. Fowler.	Sept. 5	Coffee valorization. Detailed report.	39
		1912.		
	Mr. Da Gama to Mr. Knox.	May 30	Same subject. Advises that he has learned of the institution of a suit against the coffee valorization committee and requests that steps be taken for its discontinuance.	53
	Mr. Knox to Mr. Da Gama.	June 3	Same subject. The Department of State had no official information in regard to the coffee suit until advised by the Brazilian Embassy.	54
15	Mr. Morgan to Mr. Knox....	July 19	Same subject. Incloses extracts of the annual message of the President of the State of São Paulo to the State Congress.	55
	Same to same (telegram)...	Sept. 3	Same subject. The Brazilian minister of foreign affairs regrets to learn that the investigation of the legal status of valorized coffee is to be revived.	57
46	Same to same.....	Sept. 16	Same subject. Gives his impressions of public opinion in Brazil on this subject.	58
	Same to same (telegram)....	Oct. 17	Same subject. At its annual meeting next January the valorization committee will vote to dispose of its entire stock of coffee now in New York. The Minister for foreign affairs desires to know whether the suit against the committee, in view of the above assurance, can be discontinued.	58

BRAZIL—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1912.		
	Mr. Morgan to Mr. Knox... (telegram).	Nov. 8	Same subject. Brazilian Government regrets to hear that legal action will be taken against valorized coffee in the United States. Suggests postponement of further action.	59
	Mr. Wilson to Mr. Morgan (telegram).	Nov. 9	Same subject. If the stock of valorized coffee now in New York is sold in the open market, the Attorney General agrees to abandon further proceedings.	59
	Same to same (telegram)...	Nov. 18	Same subject. The government of Sao Paulo accepts the obligation to liquidate the stock of coffee deposited in New York by Apr. 1, 1913.	60
	Same to same (telegram)...	Nov. 29	Same subject. The Brazilian Government requests that no information be given to the public about the negotiations concerning the abandonment of the coffee suit.	60
	Same to same (telegram)...	Dec. 11	Same subject. The government of Sao Paulo promises to sell the entire stock of valorized coffee in New York in the legitimate market. Again requests secrecy about the arrangement.	61
	Mr. Wickersham to Mr. Knox.	Dec. 13	Same subject. The assurances given by the Government of Sao Paulo are accepted as satisfactory evidence of the intention to dispose of the coffee in an open market.	61
	Mr. Knox to Mr. Da Gama..	Dec. 18	Same subject. Advises him that the hearing of the demurrer in the coffee valorization suit has been set for the 20th instant, and if the motion for this hearing is not withdrawn by the agent of the valorization committee by that time the suit will proceed.	61
	Mr. Wickersham to Mr. Knox.	Dec. 19	Same subject. The U. S. Attorney in New York has advised him that the attorneys for the defendant will not press the motion to set the demurrer for argument.	62
	Mr. Wilson to Mr. Morgan.. (telegram).	Dec. 23	Same subject. Advises that the defendant in the suit has ceased to press for a hearing.	62
		1913.		
	Mr. Morgan to Mr. Knox... (telegram).	Jan. 20	Same subject. The Government of Sao Paulo has sold all the coffee stored in the United States. That Government has been asked to supply a detailed account of the transaction.	62
	Mr. Da Gama to Mr. Knox.	Jan. 23	Termination of Extradition Treaty of 1897, and protocols of 1898 and 1903, between the United States and Brazil. Gives notice of the abrogation of the treaty with the United States in pursuance of the law above referred to, to take effect July 23, 1913, or sooner if the United States waives the six-months interval.	28
	.....	Jan. 28	Convention between the United States and other powers, extending the duration of the treaty on pecuniary claims signed at Mexico on January 30, 1902. Text and proclamation.	
	.....	...do....	Convention between the United States and other powers, establishing the status of naturalized citizens who again take up their residence in the country of their origin. Text and proclamation.	
	Mr. Morgan to Mr. Knox (telegram).	Feb. 10	Valorization of coffee. The Brazilian Government is of the opinion that the statement of the Government of Sao Paulo concerning the sale of the stock of coffee in the United States should be sufficient to convince the Secretary of State that the sale was bona fide.	63
124	Same to same.....	Feb. 11	Visit of the Minister for Foreign Affairs, Doctor Lauro S. Müller, to the United States. Incloses his personal letter to Doctor Müller in regard thereto.	67
25	Mr Knox to Mr. da Gama..	Feb. 28	Termination of Extradition Treaty of 1897 between the United States and Brazil. Acknowledges his note of Jan. 23, and says that this Government has no power to waive the treaty requirement of six-months notice of intention to terminate its extradition treaty with Brazil; calls attention to difficulties made by the law if the treaty should be abrogated.	29
	Mr. Morgan to Mr. Knox (telegram).	...do....	Valorization of coffee. Transmits telegram from the Secretary of the Treasury of Sao Paulo giving details of the sale of the coffee.	63
	The Brazilian Embassy to Mr. Knox.	Mar. 31	Same subject. The sale of the valorization coffee deposited in New York was bona fide, without restrictions and for actual consumption in the United States.	63

BRAZIL—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Bryan to Mr. Da Gama.	Apr. 22	Same subject. The Attorney General has accepted the Ambassador's statement as sufficient ground to withdraw the suit against the coffee valorization committee.	65
	Mr. Da Gama to Mr. Bryan.	Apr. 24	Same subject. Department's note of the 22d inst. has been telegraphed to his Government.	66
	Mr. Morgan to Mr. Bryan (telegram).	May 16	Visit of the Minister for Foreign Affairs, Dr. Lauro S. Müller, to the United States. Doctor Müller will arrive in the United States about June 10.	68
175	Same to same	May 17	Message of the President of Brazil to Congress. Incloses copy of the annual message of the President addressed to the Congress at the opening of the regular session on May 3, 1913; extracts therefrom.	24
	Same to same (telegram)...	May 27	Visit of the Minister for Foreign Affairs, Dr. Lauro S. Müller, to the United States. Gives official list of the personnel of Doctor Müller's party.	68
	Mr. Malone to Mr. Root. (telegram).	June 6	Same subject. Invites him to join the reception committee.	69
190	Mr. Morgan to Mr. Bryan..	June 17	Same subject. Transmits expressions of thanks of the Brazilian Government for the cordial reception of Doctor Müller.	69
	Same to same	June 17	Same subject. Incloses press clippings regarding Doctor Müller's visit.	71
	Doctor Müller to Mr. Wilson (telegram).	July 16	Same subject. Farewell message	72
	Mr. Wilson to Mr. Saenz Peña (telegram).	July 16	Same subject. Expresses the pleasure of this Government and people in Doctor Müller's visit.	72
	Mr. Morgan to Mr. Bryan (telegram).	July 27	Termination of Extradition Treaty of 1897 between the United States and Brazil. The treaty and protocols were denounced on July 23, 1913, by Executive Decree.	30
224	Same to same	July 29	Same subject. Amplifies the foregoing telegram and incloses a note from the Foreign Office inclosing a draft of a proposed extradition treaty with the United States; also copy of the Executive Decree before referred to.	30
	Mr. Chermont to Mr. Bryan	Aug. 18	Visit of the Minister for Foreign Affairs, Dr. Lauro S. Müller, to the United States. Expresses the gratitude of Doctor Müller for his reception in the United States.	73
238	Mr. Morgan to Mr. Bryan..	Aug. 27	Same subject. Remarks upon the pleasant impression produced by Doctor Müller's visit.	73
78	Mr. Moore to Mr. Morgan..	Aug. 29	Termination of Extradition Treaty of 1897 between the United States and Brazil. Acknowledges his No. 224 and points out features of the draft treaty which render it unacceptable to this Government.	35
84	Mr. Bryan to Mr. Chermont	Sept. 3	Visit of the Minister for Foreign Affairs, Dr. Lauro S. Müller to the United States. Acknowledges his note of August 18.	74
	Mr. da Gama to Mr. Bryan..	Oct. 31	Proposal by Brazil of a special agreement with the United States regulating the prosecution of counterfeiters when not subject to extradition. Inquires whether the United States would be disposed to enter into such an agreement.	37
36	Mr. Bryan to Mr. da Gama	Nov. 8	Same subject. The matter is covered by the Revised Penal Code of the United States, and hence an agreement is unnecessary.	38

BULGARIA.

		1913.		
84	Mr. Knox to Mr. Jackson...	Feb. 12	Extraterritorial rights of the United States in Bulgaria. Referring to previous correspondence the Minister is instructed that as the United States possesses no capitulatory rights in respect to Bulgaria except by virtue of the Treaty of Berlin and through the operation of the most-favored-nation principle, he may announce that the United State is willing to relinquish any rights it may have under the capitulatory régime, and seek the most liberal application of the most-favored-nation treatment to all American interests.	76
207	Mr. Jackson to Mr. Knox...	Feb. 26	Same subject. The Minister will comply with the instruction No. 84 on his next visit to Sofia.	77
107	Mr. Schurman to Mr. Bryan	July 10	War between Bulgaria and Greece, Serbia, Montenegro and Roumania. The Minister describes the causes of the war and the present situation.	78

BULGARIA—Continued

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
306	Mr. Campbell to Mr. Bryan.	Oct. 11	Judicial process issued in Bulgaria for service in the United States. The Foreign Office has forwarded to the Legation certain summonses the signature and return of which is desired by the judicial authorities.	75
318	Mr. Jackson to Mr. Bryan..	Oct. 23	Extraterritorial rights of the United States in Bulgaria. The Minister's letter in pursuance of instruction No. 84 is on the files of the Foreign Office.	78
95	Mr. Moore to Mr. Campbell.	Oct. 31	Judicial process issued in Bulgaria for service in the United States. There is no legal provision for the service of processes of a foreign court on a resident of the United States; instructs him to return the summonses to the Foreign Office.	75

CHINA.

		1912.		
290	Mr. Wilson to Mr. Calhoun.	Oct. 4	Claims of American citizens against China. Asks what action has been taken by the commission to dispose of the claims of foreigners against China.	204
	Mr. Calhoun to Mr. Knox..	Oct. 29	Loan negotiations. Incloses text of the "Imperial Chinese Ministry of Finance £400,000 Bond of May 24, 1911;" minutes of an interview between the American bankers' representative and the Minister of Finance regarding the £400,000 advance on the Currency-reform loan; a request of the Minister for extension of time for repayment of said advance; the bankers' reply granting an extension to Apr. 14, 1913; acknowledgment by the Minister.	192
671	Mr. Calhoun to Mr. Knox..	Nov. 12	Political affairs. The situation seems to be improving, but nothing constructive is undertaken. More money is the imperative present need.	87
			Loan negotiations. Editor's introductory note.	143
	Mr. Calhoun to Mr. Knox (telegram).	Dec. 30	Same subject. States reasons for halt of the negotiations.	144
	Same to same (telegram)...	Dec. 31	Claims of American citizens against China. The Chinese Government admits the liability for damages caused to foreigners by the revolution.	204
		1913.		
	Mr. Laughlin to Mr. Knox.. (telegram).	Jan. 7	Loan negotiations. Transmits memorandum from British Foreign Office proposing internationalization of the loan. States relationship between the British, French, and Russian bankers.	145
	Mr. Knox to Mr. Laughlin (telegram).	Jan. 9	Same subject. Replies to Mr. Laughlin's Jan. 7. The department reserves its opinion until the powers directly interested have expressed themselves.	146
	Mr. Calhoun to Mr. Knox (telegram)	Jan. 21	Same subject. The President of China announces that his Government must look elsewhere for the urgently needed funds if the six groups will not act.	146
	Same to same (telegram)....	Jan. 23	Same subject. Reports that negotiations are broken off. Suggests that if this ends the consortium, the the United States immediately recognize the Chinese Government. British and German bankers purpose making advances to China independently.	147
	Mr. Knox to Mr. Calhoun (telegram).	Jan. 24	Same subject. The proposed British and German advance will not threaten the consortium; the advance would be open to participation by the other groups.	148
	Mr. Herrick to Mr. Knox (telegram).	Jan. 26	Same subject. Requests instruction regarding representations as to internationalization, to which the French Government objects.	148
	Mr. Calhoun to Mr. Knox (telegram).	Jan. 27	Same subject. All the groups have joined in a letter to the Chinese Government regarding advances.	148
	Mr. Knox to Mr. Calhoun (telegram).	Jan. 27	Same subject. Replies to Mr. Calhoun's Jan. 27; instructs him to join in any definite agreement the majority may decide on.	148
725	Mr. Calhoun to Mr. Knox..	...do....	Indemnity payments. Detailed statement of the inter-group dispute regarding relation of indemnity payments to the loan negotiations.	202
	Mr. Knox to Mr. Herrick (telegram).	Jan. 28	Loan negotiations. Replies to Mr. Herrick's Jan. 26; instructs him to join his colleagues in asking the French Government to agree to internationalization.	149
	Mr. Calhoun to Mr. Knox (telegram).	Jan. 29	Same subject. Replies to department's Jan. 27; states position of French Minister.	149

CHINA—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Herrick to Mr. Knox (telegram).	Jan. 30	Same subject. Reports reasons of French Government for its position.	149
2203	Mr. Laughlin to Mr. Knox..	Jan. 31	Same subject. Incloses British memorandum desiring the opinion of this Government as to agreeing to proposed conditions to govern future industrial loans.	150
	Mr. Calhoun to Mr. Knox (telegram).	Feb. 4	Same subject. Reports the personnel of the Chinese appointments of advisory officers for the loan, and positions of the various Ministers in regard to nationality of advisers. Requests instruction.	151
	Mr. Knox to Mr. Calhoun (telegram).	...do.....	Same subject. Approves the Minister's position as to advisers, and instructs to postpone this matter if it will delay the advance of funds.	151
	Mr. Knox to Mr. Cullom...	Feb. 4	Political Affairs. Incloses a memorandum on the recognition of the Republican Government of China.	88
	Mr. Bryce to Mr. Knox....	Feb. 5	Loan negotiations. States the British position regarding advisers and request the American opinion thereon.	151
	Mr. Knox to Mr. Bryce....	Feb. 5	Same subject. Reply to the foregoing.	152
	Mr. Calhoun to Mr. Knox (telegram.)	Feb. 9	Same subject. Reports further as to the status of the negotiations, which remain unchanged.	152
	Mr. Knox to Mr. Herrick (telegram).	...do....	Same subject. Instruction to learn the French position as to advisers.	153
	Mr. Knox to Mr. Calhoun (telegram).	Feb. 10	Same subject. Replies to Mr. Calhoun's Feb. 9; advises him of correspondence with British Government; instructs him to refer to Department's Jan. 27 and to use his discretion.	153
	Mr. Knox to Mr. Herrick (identic telegram).	...do....	Same subject. Instruction to communicate to French Government the accompanying aide mémoire suggesting a compromise solution of the question of advisers. Instruction to repeat this telegram to other embassies concerned.	154
	Mr. Calhoun to Mr. Knox (telegram).	...do....	Same subject. Requests instruction in regard to advisers, in view of fresh suggestions by other ministers.	154
	Mr. Herrick to Mr. Knox (telegram).	...do....	Same subject. Reports French attitude as to advisers.	155
	Mr. Leishman to Mr. Knox (telegram).	Feb. 11	Same subject. Reports German attitude as to advisers.	155
	Mr. Calhoun to Mr. Knox (telegram).	...do....	Same subject. Reports further interviews with other ministers.	155
	Mr. Leishman to Mr. Knox (telegram).	Feb. 12	Same subject. Replies to Department's Feb. 10; the German Government prefers to accept the original Chinese proposal; discusses the political situation, and gives his own views.	156
	Mr. Laughlin to Mr. Knox (telegram).	...do....	Same subject. Replies to Department's Feb. 10. The British Government inclined to agree with Department's suggestion as to advisers.	156
	Mr. Leishman to Mr. Knox (telegram).	...do....	Same subject. Replies to Department's Feb. 10. The German Government agrees to Department's suggestion.	156
273	Mr. Herrick to Mr. Knox...	Feb. 14	Same subject. Refers to Department's Feb. 10 and incloses aide mémoire from French Foreign Office proposing six advisers.	157
	Mr. Guild to Mr. Knox (telegram).	...do....	Same subject. Replies to Department's Feb. 10, giving Russia's answer to Department's proposal. Requests instruction as to the six-advisers proposal.	158
	Mr. Knox to Mr. Guild (telegram).	Feb. 17	Same subject. Instruction not to raise the question referred to in his Feb. 15.	159
	Mr. Knox to Mr. Leishman (telegram).	...do....	Same subject. Instructs him to inform the German Government that having found no support for its proposal, this Government will approve the one already accepted by the other powers, which the Chinese are willing to accept.	160
	Mr. Calhoun to Mr. Knox (telegram).	...do...	Same subject. Advises assent to the proposal of the other powers. Requests instructions.	159
	Mr. Knox to Mr. Calhoun (telegram).	...do....	Same subject. Instructs him to assent to the proposal of the majority.	160
	Mr. Knox to Mr. Confalonieri.	Feb. 18	Same subject. Memorandum relating to proposed appointment of an Italian adviser.	161
	Mr. Bakhméteff to Mr. Knox.	Feb. 19	Same subject. Two memoranda relating to advisers, requesting the opinion of this Government and insisting on the inclusion of a Russian representative.	162
	Mr. Knox to Mr. Calhoun (telegram).	Feb. 20	Same subject. The American group is contemplating withdrawal from the negotiations unless the contract is signed without further delay.	163
	Mr. Calhoun to Mr. Knox (telegram).	Feb. 21	Same subject. Reports there is no hope of an early signature to the agreement; the negotiations are controlled by European politics.	163

CHINA—Continued.

No.	From and to whom.	Date.	Subect.	Page.
		1913.		
	Mr. Knox to Mr. Laughlin (telegram).	Feb. 23	Same subject. Request to ascertain the views of the British Foreign Office.	164
	Mr. Knox to Mr. Leishman (telegram).	...do....	Same subject. Requests him to ascertain the views of the German Foreign Office.	164
	Mr. Laughlin to Mr. Knox (telegram).	Feb. 24	Same subject. The British Foreign Office regard the signature of the agreement as likely to be indefinitely postponed.	164
	Mr. Leishman to Mr. Knox (telegram).	Feb. 25	Same subject. The German Foreign Office takes a pessimistic view of the situation.	164
	Mr. Straight to Mr. Knox..	...do....	Same subject. Currency loan. Incloses a letter from the American group's London agents accompanying a memorandum of a meeting of representatives of the four groups with Dr. Vissering on Jan. 11, 1913.	195
	Mr. Wilson to Mr. Hilles...	...do....	Political Affairs. Letter setting forth the views of the Department on the recognition of the Republic of China.	92
	Mr. Knox to Mr. Bakhméteff.	Feb. 26	Loan negotiations. Aide mémoire in reply to the two memoranda of Feb. 19, reserving opinion for the present.	165
	Mr. Knox to Mr. Williams.	Feb. 27	Same subject. Instruction to maintain the Department's frequently announced position and to make such suggestions as occur to him.	166
	Mr. Williams to Mr. Knox (telegram).	Feb. 28	Same subject. The British Minister believes that his Government will not wait much longer but will cooperate with such groups as desire to participate. Asks instructions as to whether to agree to German proposals.	167
	Mr. Knox to Mr. Williams (telegram).	...do....	Same subject. Instruction to agree to appointment of German adviser.	167
	Mr. Chang Yin Tang to Mr. Bryan.	Mar. 4	Political affairs. Transmits a congratulatory message from the President of the Republic of China to the President.	93
	Mr. Straight to Mr. Bryan..	Mar. 5	Loan negotiations. Request of the American group of bankers to be informed of the wishes of this Government in regard to the future conduct of the loan negotiations.	167
	Mr. Herrick to Mr. Bryan (telegram).	Mar. 8	Same subject. States his belief that the loan should be concluded forthwith or the six-power group leaving China to borrow where she will.	168
	Mr. Bryan to Mr. Chang Yin Tang.	...do....	Political affairs. Transmits the reply of the President to President Yuan Shih Kai.	94
772	Mr. Williams to Mr. Bryan.	Mar. 11	Same subject. Report on current political situation.	94
778	Same to same.....	Mar. 17	Loan negotiations. Incloses a letter dated Mar. 11 from the Minister of Finance informing this Government that the Chinese Government deplores the futility of the loan negotiations, so long drawn out, states the dilemma of China, and declares that its Government can not any longer be held responsible in regard to the consortium.	168
780	Same to same.....	Mar. 18	Political affairs. Continuation of report of Mar. 11.	96
782	Same to same.....	...do....	Same subject. Observations on recognition of the Republic by the United States.	96
	Mr. Adee to certain American diplomatic officers (telegram).	Mar. 19	Loan negotiations. The Acting Secretary of State transmits to Paris, London, Berlin, St. Petersburg, Tokyo and Peking, the statement of the President issued to the press on Mar. 18, to the effect that: "The conditions of the loan seem to us to touch very nearly the administrative independence of China itself, and this administration does not feel that it ought, even by implication, to be a party to those conditions. . . . The responsibility on the part of our Government implied in the encouragement of a loan thus secured and administered is plain enough and is obnoxious to the principles upon which the Government of our people rests."	170
	Mr. Stralght to Mr. Bryan...	...do....	Same subject. Incloses notice sent by the American group to its Peking representatives notifying them of the group's intention to withdraw from the four-group and the six-group agreements; also calls attention to the need for adjusting the terms of repayment of advances already made.	171
	Mr. Chinda to Mr. Bryan..	Mar. 24	Same subject. The Japanese Ambassador refers to the President's statement to the press of the policy of this Government and asks for a further exposition of it for his own information, including the question of recognition of the Republic.	173
792	Mr. Williams to Mr. Bryan.	Mar. 25	Same subject. Refers to the President's statement of policy in the telegram of Mar. 19; "on the whole the Chinese are greatly pleased by the action of the American Government."	174

CHINA—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Adee to Mr. Wilson	Mar. 25	Same subject. The Chinese Minister called formally to express the thanks of the people of China for the just and magnanimous attitude of the President.	175
	Mr. Lou Tseng Tsiang to Mr. Bryan (telegram).	...do...	Political affairs. Expresses China's desire for recognition of the Republic by the United States.	98
	Mr. Adee to Mr. Tumulty	Mar. 27	Same subject. Incloses for the President a memorandum of a conversation with the Secretary of the Brazilian Embassy in relation to the recognition of the Republic.	99
	Mr. Bryan to Mr. Williams (telegram).	Mar. 28	Same subject. Instruction to say to Mr. Lou that this Government is carefully considering the question of recognizing the Republic.	100
	Mr. Williams to Mr. Bryan (telegram).	...do...	Same subject. Recommends immediate recognition of the Republic.	100
	Mr. Adee to Mr. Bryan	...do...	Same subject. Memorandum on recognition of the Republic of China.	100
	Mr. Bryan to Mr. Straight	...do...	Loan negotiations. Reply to his Mar. 19. The President thinks it would be unfair to demand of China immediate payment of the advances made and suggests the propriety of assenting to China's request for six months' extension.	175
	Mr. Straight to Mr. Bryan	Mar. 31	Same subject. Refers to the Department's Mar. 28; the American group, in deference to the President's wishes, is willing to assent to six months' extension, but does not feel to act independently of their former colleagues; calls the department's attention to certain features of the extension terms.	176
	Same to same	Mar. 31	Same subject. Student loans. Refers to his letter of Mar. 19, and adds a request that the department consider the matter of repayment of the two student loans.	198
	Mr. Bryce to Mr. Bryan	...do...	Political affairs. The British Government feels the necessity of concerted action in regard to the question of recognizing the Republic.	105
	Mr. Miller to Mr. Bryan	...do...	Same subject. Memorandum by the Division of Far Eastern Affairs of the department relating to an interview with the German Ambassador regarding concerted action as to recognition of the Republic.	105
796	Mr. Williams to Mr. Bryan	Apr. 1	Same subject. Reports assassination of Sung Chiao-jen and the political bearings thereof. Attitude of the diplomatic corps as to disposition of refugees at the international settlement.	106
	Mr. Bryan to certain ambassadors at Washington.	...do...	Loan negotiations. A formal statement to the diplomatic representatives of the powers concerned in the six-power consortium of the action taken by this Government in pursuance of its publicly announced policy in regard to Chinese loans; incloses copy of that announcement and quotes the instructions of the American group of bankers to their Peking representatives.	17
	Mr. Straight to Mr. Bryan	Apr. 2	Same subject. Incloses correspondence with the American group's representatives.	178
	Mr. Bryan to the Diplomatic Corps.	...do...	Political affairs. Circular aide mémoire announcing the intention of the President to recognize the Government of China on Apr. 8, on the meeting of the Constituent Assembly, and inviting the cooperation of the powers.	108
			Same subject. Editor's note on recognition of the Republic by Brazil, Mexico, Peru, and Cuba.	109
	Mr. Bryan to Mr. Straight	Apr. 3	Same subject. Student loans. Acknowledges his Mar. 31; the department will give the matter due consideration.	199
	Viscount Chinda to Mr. Bryan.	Apr. 4	Political affairs. The Japanese Government gives its reasons for not cooperating in recognizing the Republic at present.	109
	Mr. Bryan to Mr. Williams (telegram).	Apr. 6	Same subject. Instructions regarding recognition of the Republic.	109
			Same subject. Editor's note on attitudes of Great Britain, Denmark, Austria-Hungary, Italy, and France in regard to recognition of the Republic.	110
	Mr. Williams to Mr. Bryan (telegram).	Apr. 10	Same subject. Quotes the Declaration to the World of the National Assembly of China.	111
			Same subject. Editor's note on the attitude of the Netherlands toward recognition of the Republic.	112
807	Mr. Williams to Mr. Bryan	Apr. 11	Same subject. Reports on the opening of the National Assembly.	112
			Same subject. Editor's note on the attitude of Spain toward recognition of the Republic.	114
	Mr. Dumba to Mr. Bryan		Same subject. Aide mémoire transmitting the purport of a circular telegram of the Japanese Government regarding recognition of the Republic, and requesting the opinion of this Government thereon.	114

CHINA—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Straight to Mr. Bryan	Apr. 12	Loan negotiations. Currency loan. Incloses request of the Chinese Minister relative to sale of bonds; reply stating the position of the American group in respect to the currency loan in view of its withdrawal from Chinese loans in general; the group will not request an extension of the option but will consider a request for extension of payment on advance.	196
	Same to same	Apr. 15	Same subject. Currency loan. States terms proposed by the four groups for extension of repayment of £400,000 advance.	197
814	Mr. Williams to Mr. Knox.	Apr. 17	Claims of American citizens against China. Incloses report of the claims commission.	204
	Message of the President	Apr. 21	Opium conference. Transmits to Congress a report from the Secretary of State regarding the status of the International Opium Convention and requesting the appropriation of $20,000 for the expenses of participation in the Second International Opium Conference in July.	215
	Mr. Bryan to Mr. Wilson	.....	Same subject. The report mentioned above	216
	Mr. Bryan to Mr. Dumba	Apr. 26	Political affairs. Reply to the Austro-Hungarian aide mémoire (undated).	115
	Mr. Williams to Mr. Bryan (telegram).	Apr. 27	Loan negotiations. The quintuple group signed on this day a loan for reorganization purposes. Certain Senators claim the Assembly's approval is necessary and threaten to boycott the banks.	179
	Mr. Williams to Mr. Bryan (telegram).	May 2	Same subject. Reports delivery to President Yuan of the President's message of recognition of the Government of China.	115
	Mr. Yuan Shih Kai to Mr. Wilson.	...do.....	Same subject. Message of thanks for recognition of the Republic.	116
841	Mr. Williams to Mr. Bryan.	May 6	Same subject. Reports the ceremonies attending the delivery to President Yuan of the message of recognition by the United States of the Republic of China.	116
845	Same to same	...do....	Loan negotiations. Supplements his telegram of Apr. 27 with a description of the quintuple groups' loan.	180
	Same to same (telegram)	May 9	Political affairs. Transmits messages of appreciation of the recognition of the Republic.	119
	Mr. Chang Yin Tang to Mr. Bryan.	May 12	Same subject. Transmits a vote of thanks of each House of the National Assembly for the recognition of the Republic.	120
850	Same to same	May 13	Same subject. Incloses notes from the foreign office and his replies thereto relating to resolutions of the National Assembly thanking the United States for recognition of the Republic.	120
858	Same to same	May 16	Same subject. Reports on the insurrectionary activities of Dr. Sun Yat Sen et al., and incloses Dr. Sun's manifesto.	121
	Mr. Straight to Mr. Bryan	June 5	Same subject. Student loan. Refers to his letter of Mar. 31 and incloses letter from Intern'l Banking Corp'n regarding relation of indemnity payments and reorganization loan to the student loans.	199
	Same to same	June 6	Same subject. Currency loan. Incloses correspondence relating to repayment of advances from proceeds of the reorganization loan.	183
	Mr. Bryan to Mr. Williams (telegram)	June 11	Claims of American citizens against China. Approves the report of the Claims Commission and instructs him to proceed with the classification of American claims.	210
929	Mr. Williams to Mr. Bryan.	July 11	Loan negotiations. Requests instructions as to the attitude to be taken by the legation toward financial transactions between American capitalists and the Chinese Government. Gives a long account of various loans and projected loans and states the legation's problems in connection with some of them.	183
	Same to same (telegram)	July 19	Political affairs. Shanghai has declared independence.	124
	Mr. Fowler to Mr. Bryan (telegram).	July 20	Same subject. Fukien has declared independence	124
	Mr. Cheshire to Mr. Bryan (telegram).	...do....	Same subject. Kwang Tung has declared independence.	124
936	Mr. Williams to Mr. Bryan.	July 22	Same subject. Transmits a memorandum of the Wai Chiao Pu regarding the disturbances in the South.	124
	Same to same (telegram)	July 24	Same subject. Reports attitude of the diplomatic corps toward China's request for permit to search foreign vessels, and kindred matters.	125

CHINA—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Williams to Mr. Bryan.	July 26	Same subject. Reports attitude of diplomatic and consular corps toward harboring of insurrectionary refugees and kindred matters.	12
	Mr. Bryan to Mr. Williams (telegram).	July 28	Same subject. Mr. Williams's views as to noninterference approved.	126
947	Mr. Williams to Mr. Bryan.	July 29	Same subject. Report on the political and military situation.	127
963	Same to same	Aug. 8	Same subject. Reports the success of the Government in dealing with the insurrection.	127
	Message of the President	Aug. 9	Opium conference. Transmits to Congress a communication dated Aug. 7, 1913, from the Secretary of State accompanied by a report dated July 31, 1913, from the American delegates to the Second International Opium Conference. This report briefly reviews the anti-opium movement from 1906, outlines the progress made after the signing of the Opium Convention on Jan. 23, 1912, gives the reasons for calling the second conference, and presents at length the proceedings of the conference, showing that thirty-six powers have signed the convention, nine signatures still lacking. Appended to the report are reprints of three articles from the American Journal of International Law on the history of the antiopium movement.	220
			Same subject. Editor's note on the signing of the Opium Convention by various Governments.	282
970	Same to same	Aug. 13	Claims of American citizens against China. Incloses copy of a memorandum to the Foreign Office transmitting a tentative list of American claims.	211
983	Same to same	Aug. 22	Political affairs. Reports further successes of the Government in suppressing the insurrection.	127
984	Same to same	do	Same subject. Observations on the insurrection	128
1	Mr. Guthrie to Mr. Bryan.	Aug. 25	Same subject. Reports asylum given in Japan to Chinese political refugees, Dr. Sun, et al.	129
	Mr. Fiedler to Mr. Heintzleman.	Aug. 27	Loan negotiations. Student loan. Informs the Department that the American group has been fully reimbursed by China for the two student loans (Chinghua College).	200
			Same subject. Student loans. Editor's notes on the Carnegie loan.	201
			Same subject. Editor's note on miscellaneous loans.	201
	Mr. Loudon to Mr. Bryan	Aug. 31	Claims of American citizens against China. Asks whether the United States has reached a decision concerning a claim for the repayment of the cost of military measures taken by the United States during the rebellion in China.	211
389	Mr. Bryan to Mr. Williams.	Sept. 11	Loan negotiations. Replies to Mr. Williams's July 11, and gives him general instructions on the subject.	186
1006	Mr. Williams to Mr. Bryan.	Sept. 12	Political affairs. Report on the political situation; demands of Japan for killing of Japanese subjects.	130
	Mr. Moore to Mr. Bryan	Sept. 18	Claims of American citizens against China. Where governments send their military forces to foreign countries in case of domestic disturbances it is not customary to make the expense a charge against the foreign country.	212
	Mr. Osborne to Mr. Williams (telegram).	Sept. 18	Same subject. The United States will not present a claim for the expenses incurred for the maintenance of troops in China during the rebellion.	212
	Mr. Adee to Mr. Schmolck	Sept. 20	Same subject and tenor	212
1024	Mr. Williams to Mr. Bryan.	Sept. 25	Loan negotiations. Submits his observations on the financial and political conditions in China.	187
1035	Same to same	Oct. 3	Claims of American citizens against China. Reports that he has detailed Mr. Peck as the American representative on the claims commission.	
	Mr. Chang Kang Jen to Mr. Bryan.	Oct. 6	Political affairs. Announces the election of Yuan Shih Kai as President of the Republic of China.	131
	Same to same	Oct. 8	Same subject. Announces the election of General Li Yuen Hung as Vice President of the Republic of China.	131
1042	Mr. Williams to Mr. Bryan.	do	Same subject. Incloses note from Foreign Office announcing recognition of the Republic by various powers.	132
	Mr. Stovall to Mr. Bryan. (telegram).	do	Same subject. Announces recognition of the Republic by the Swiss Government.	132
	Mr. Wilson to Mr. Yuan (telegram).	Oct. 9	Same subject. Congratulates the President of China on his inauguration.	132
1043	Mr. Williams to Mr. Bryan.	do	Same subject. Transmits note announcing election of Li Yuan Hung as Vice President of China.	133
		Oct. 10	Inaugural address of the President, Yuan Shih K'ai.	82

CHINA—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
255	Mr. Moore to Mr. Chang.....	Oct. 10	Political affairs. Acknowledges his Oct. 6 and incloses copy of the President's telegram of congratulation to President Yuan.	133
1044	Mr. Williams to Mr. Bryan....	...do....	Same subject. Reports formal call of the Minister for Foreign Affairs to thank this Government for the promptness of its recognition of the Republic.	134
1046	Same to same.....	Oct. 11	Same subject. Transmits announcement by the Foreign Office of recognition of the Republic by Norway and Switzerland.	134
	Mr. Yuan to Mr. Wilson (telegram).	Oct. 13	Same subject. Expression of gratitude for the President's message of congratulation.	135
1052	Mr. Williams to Mr. Bryan....	...do....	Same subject. Report on the inauguration of President Yuan and incloses papers relating thereto.	135
1067	Same to same.....	Oct. 21	Loan negotiations. Reports an interview with the Minister of Finance on the financial straits of China; incloses tabulated statement of the investments of the various powers in China.	189
1080	Same to same.....	Oct. 24	Political affairs. Incloses note from the Minister of the Navy expressing appreciation of exchange of salutes of American with Chinese warships.	138
	Same to same (telegram)....	Nov. 2	Same subject. Reports serious disorders in Hunan.	139
2091	Same to same.....	Nov. 3	Claims of American citizens against China. Incloses a copy of his note to the Foreign Office protesting against the rule that no claims, received after Dec. 31, 1913, would be considered and copy of the Foreign Office answer waiving this rule.	213
	Same to same (telegram)...	Nov. 5	Political affairs. President Yuan has dissolved the Nationalist party and expelled all Nationalists from the Assembly, thus preventing a quorum and the adoption of a constitution.	139
9	Mr. Bryan to Mr. Reinsch..	Dec. 3	Claims of American citizens against China. Designates Consul Williams as the American delegate on the claims commission.	214
16	Mr. Van Dyke to Mr. Bryan	Dec. 10	Opium conference. Reports deposit with the Government of The Netherlands of the instrument of ratification by the United States of the opium convention.	283
	Mr. Reinsch to Mr. Bryan (telegram).	Dec. 12	Political affairs. Russia will withdraw all troops; comments thereon.	140
	Same to same (telegram).	Dec. 16	Same subject. Nearly all the Ministers and the Chinese regard withdrawal of troops as premature.	140
	Mr. Bryan to Mr. Reinsch (telegram).	Dec. 17	Same subject. This Government does not intend to withdraw or reduce the American Expeditionary Force in China.	140
	Mr. Reinsch to Mr. Bryan (telegram).	Dec. 19	Claims of American citizens against China. As the Chinese Government desires to pay each claim as soon as allowed, requests authority to present each American claim immediately upon its approval.	214
	Mr. Moore to Mr. Reinsch (telegram).	Dec. 20	Same subject. Authorizes him to present each American claim as soon as approved by the Department.	215
51	Mr. Reinsch to Mr. Bryan	Dec. 23	Political affairs. Transmits memorandum on the political situation.	140

COLOMBIA.

		1911.		
10	Mr. Nei Ospina to Mr. Knox.	Nov. 25	Relations of the United States with Colombia. The minister of Columbia requests the negotiation of a treaty for arbitration of the questions relating to the separatist movement of the Colombian Department of Panama in 1903, direct negotiations having failed.	281
		1913.		
135	Mr. Du Bois to Mr. Knox...	Feb. 5	Same subject. The American Minister incloses a statement outlining a conversation that he had on Jan. 25, 1913, with the Colombian Minister for Foreign Affairs, wherein he laid before the Colombian Government five suggestions for settlement of the Panama question which he had been instructed by the Department to make informally. Also incloses a copy of the memorandum that he intends, if it becomes advisable, informally to present to the Colombian Government in explanation of the five suggestions already submitted.	287
141	Same to same.....	Feb. 28	Same subject. Incloses copy of the minutes of his informal conversation with the Minister for Foreign Affairs on Feb. 15, on the occasion of informally presenting the memorandum inclosed with his dispatch of Feb. 5; it shows that the negotiations terminated with this conversation.	294

COLOMBIA—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
11	Mr. Betancourt to Mr. Bryan.	Feb. 28	Same subject. Requests resort to arbitration.....	308
	The President to Congress..	Mar. 1	Same subject. Submits a report to the President by the Secretary of State, reviewing the relations between the two countries.	297
5	Mr. Bryan to Mr. Betancourt.	Apr. 15	Same subject. Reply to his No. 11. Can not at present discuss the matter.	309
16	Mr. Betancourt to Mr. Bryan.	May 3	Same subject. The Minister of Colombia presents the views of his Government regarding the Panama controversy and requests its submission to arbitration before The Hague Tribunal.	309
	Mr. Bryan to Mr. Betancourt.	July 18	Same subject. Refers to the Minister's note of May 3; this Government prefers to postpone considering arbitration in view of the prospect of renewing direct negotiations.	316
	President Restrepo to the Colombian Congress.	July 20	Same subject. Statement of the status of the Panama question.	317
	The Minister for Foreign Affairs to the Colombian Congress.	...do....	Same subject. A memorial containing a review of recent negotiations, arguments for arbitration, and a statement of the attitude of the Colombian Government.	318
	Mr. Bryan to Mr. Thomson (telegram).	Sept. 29	Same subject. Instruction, by direction of the President, to offer to Colombia $20,000,000 in full settlement of all claims and differences now pending between the two Governments and between Colombia and Panama.	321
10	Mr. Thomson to Mr. Bryan.	Oct. 8	Same subject. Reports execution of the instruction of Sept. 29 and incloses copy of the reply by the Foreign Office, embodying its proposal of bases for a settlement.	321
	Same to same.....	Oct. 22	Same subject. Same purport as next below.....	323
14	Same to same.....	Oct. 23	Same subject. Incloses a draft treaty submitted to him by the Colombian Government embodying the bases for settlement proposed in the Colombian note inclosed in Mr. Thomson's No. 10 of Oct. 8.	323
15	Same to same.....	Oct. 25	Same subject. Incloses memoranda of the Foreign Office in support of its draft treaty previously submitted and forwarded to the Department with the Minister's No. 14 of Oct. 23.	325
	Mr. Bryan to Mr. Harrison (telegram).	Nov. 29	Same subject. Reply to legation's Oct. 22. Pressure of business has prevented the President from considering this question.	327
	Mr. Harrison to Mr. Bryan (telegram).	Dec. 1	Same subject. Extra session of Congress has been extended to Dec. 5. Your Nov. 29 has been delivered to minister for foreign affairs, who hopes to receive answer before the 5th instant.	328
	Mr. Bryan to Mr. Harrison (telegram).	Dec. 19	Same subject. Draft treaty quoted. (Presented to foreign office Dec. 28).	328

COSTA RICA.

		1913.		
	Mr. Bryan to Mr. Langhorne (telegram).	June 14	Extradition as an act of comity. Instruction to ascertain whether the Government of Costa Rica will grant the extradition of Waldo C. Lawson, charged by this Government with embezzlement, as an act of comity explaining that for constitutional reasons this Government can not reciprocate, in the absence of an extradition treaty, in case of a similar request being made by Costa Rica.	330
	Mr. Langhorne to Mr. Bryan.	June 21	Same subject. The President of Costa Rica in the absence of the minister for foreign affairs consented to the extradition.	330
	Same to same (telegram)...	July 17	Same subject. Lawson arrested and will be deported on the 18th.	331
	Same to same (telegram)...	July 19	Same subject. Lawson was deported on the 18th...	331
	Same to same.....	...do....	Same subject. Upon the advice of the minister of foreign affairs, and with the consent of the President, Lawson was arrested and deported as a "pernicious foreigner" (estranjero pernicioso) on the ground that under this charge the proceeding would escape exception by the Central American Court of Justice to a grant of extradition in the absence of an extradition treaty.	331
27	Mr. Moore to Mr. Langhorne.	July 24	Same subject. The attitude of Costa Rica in the matter is highly appreciated.	331
30	Mr. Bryan to Mr. Langhorne.	July 31	Same subject. Approves the action of the minister.	332

CUBA.

No.	From and to whom.	Date.	Subject.	Page.
		1911.		
683	Mr. Jackson to Mr. Knox...	Mar. 16	Concession for the construction of a bridge across the entrance to the port of Habana. By executive decree 180 of Mar. 10, 1911, the President of Cuba granted a concession to build a bridge across the entrance to the port of Habana; the concession includes a grant of land.	369
	Mr. Wilson to Mr. Stimson	Mar. 24	Same subject. The Secretary of War is notified of the Habana bridge concession.	369
	Mr. Wilson to Mr. Jackson.	...do....	Same subject. Acknowledges his No. 683, which has been copied to the Secretary of War.	369
		1912.		
	Mr. Wilson to Mr. Beaupré (telegram).	Mar. 5	Caibarién-Nuevitas railway project. In view of information to renew the application for a concession to British capitalists, the minister is instructed to request postponement of action to allow full investigation.	381
	Mr. Beaupré to Mr. Knox (telegram).	Mar. 6	Same subject. The President of Cuba promises to obtain postponement until the next Congress convenes.	381
	Mr. Beaupré to Mr. Knox (telegram).	May 14	Same subject. The project is now under consideration in Congress. Asks instructions.	381
	Mr. Wilson to Mr. Beaupré (telegram).	May 14	Same subject. The Department can not approve the project as it now understands it.	382
	Mr. Knox to Mr. Beaupré (telegram).	May 22	Same subject. Instruction to inform the Cuban Government that as the project is now framed the department feels that it is probably an undue strain on the Treasury.	382
273	Mr. Beaupré to Mr. Knox..	May 25	Same subject. Incloses responses from the President and the Secretary of State of Cuba to his informal note based on department's May 22.	382
	Mr. Innes to Mr. Knox.....	May 31	Same subject. States the British Government's objections to the concession approved by the Cuban House of Representatives to the North Coast Railway Company.	383
	Mr. Beaupré to Mr. Knox (telegram).	June 4	Same subject. The Cuban Senate has approved the concession to the North Coast Co.	384
	Mr. Knox to Mr. Beaupré.. (telegram).	June 8	Same subject. Transmits the purport of Mr. Innes' letter of May 31, to the effect that the North Coast Company's project is a swindling scheme directed against the Cuban Central's vested interests.	384
	Mr. Beaupré to Mr. Knox (telegram).	June 9	Same subject. Explains the relative merits of the claims to a concession made by the North Coast Railway Co. and the Cuban Central Railway Co.	384
1529	Mr. Knox to Mr. Innes.....	June 14	Same subject. Reply to Mr. Innes' May 31; quotes the telegram from Mr. Beaupré dated June 9.	385
502	Mr. Beaupré to Mr. Knox...	Nov. 15	Concession for construction of a bridge across the entrance to the port of Habana. A letter from the Havana Coal Co. protests against the concession as calculated to do great harm to its property. The minister has requested the Cuban Government to defer action until the department's wishes can be ascertained.	370
	Mr. Bryce to Mr. Knox....	Nov. 27	Caibarién-Nuevitas railway project. Incloses data relating to the contention of the Cuban Central Ry. Co. and requests their consideration and such action as the department may find just.	386
	Mr. Bryce to Mr. Knox.....	Nov. 30	Same subject. Incloses data to add to those submitted by Mr. Bryce on Nov. 27.	387
	Mr. Innes to Mr. Clark.....	Dec. 2	Same subject. Incloses data to be added to those submitted by Mr. Bryce and Lord Percey on Nov. 27 and Nov. 30.	387
	Mr. Knox to Mr. Beaupré...	Dec. 4	Same subject. Informs him of the arguments submitted by the British Embassy on Nov. 27 and 30 Dec. 2, and instructs him to address the Cuban Government in regard thereto.	387
530	Mr. Beaupré to Mr. Knox...	Dec. 5	Same subject. Incloses copy of his note to the Cuban Government in pursuance of the department's instruction of Dec. 4.	388
	Mr. Knox to Mr. Bryce.....	Dec. 9	Same subject. Acknowledges receipt of the British Embassy's notes of Nov. 27, Nov. 30, and Dec. 2. Their substance has been transmitted to the American Minister, with instruction to investigate.	390
538	Mr. Beaupré to Mr. Knox...	Dec. 11	Same subject. Incloses Cuban note of Dec. 10 in reply to his note in pursuance of department's instruction of Dec. 4.	390
177	Mr. Wilson to Mr. Beaupré.	Dec. 13	Concession for construction of a bridge across the entrance to the port of Habana. Acknowledges his 502 and instructs him to make further investigation, particularly as to the land grant.	370
560	Mr. Beaupré to Mr. Knox..	Dec. 19	Cuban amnesty bill. Incloses copy of a bill passed by the House of Representatives, with summary.	354

CUBA—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Wilson to Mr. Beaupré (telegram).	Jan. 6	Same subject. Instruction to present certain objections to the bill as passed.	355
585	Mr. Beaupré to Mr. Knox..	Jan. 9	Same subject. Reports execution of the instruction of Jan. 6.	355
587	Same to same.....	Jan. 10	Concession for construction of a bridge across the entrance to the port of Habana. Refers to the legation's 502 and incloses a note from the foreign office showing that the Havana Coal Co.'s objections were taken into consideration when formulating the decree of Dec. 12, 1912, which embodied modifications in the bridge plans.	371
185	Mr. Knox to Mr. Beaupré..	Jan. 11	Zapata swamp concession. Instruction to say to the Cuban Government that in view of amendments suggested by the concessionaire curing the defects of the concession as viewed by the department, this Government withdraws its objection to the concession, but without thereby endorsing the project as a commercial enterprise.	365
321	Mr. Knox to Mr. Rodgers...	...do....	Same subject. Acknowledges the consul general's No. 674 of Nov. 20, 1912, and No. 675 of Nov. 23, 1912, and informs him of the instruction to the minister of Jan. 11, 1913.	366
186	Mr. Knox to Mr. Beaupré...	...do....	Naval station at Guantanamo. Calls attention to a slight error of description in the agreement with Cuba for enlargement of the station.	353
	Same to same (telegram)...	Jan. 15	Concession for construction of a bridge across the entrance to the port of Habana. Acknowledges the legation's 587 and instructs him to inform the Cuban Government that the war and Navy Departments point out that even the amended bridge plans threaten seriously to congest traffic, and to make possible a military peril of moment to both Governments.	371
	Mr. Beaupré to Mr. Knox (telegram).	Jan. 16	Same subject. The instruction of Jan. 15 has been executed. Suggests that the land grant in the concession is prejudicial to the use of the military reservation for quartering troops.	372
	Mr. Bryce to Mr. Knox...	Jan. 20	Caibarién-Nuevitas railway project. The British minister at Habana has been instructed to support the petition of the Cuban Central Co. to cancel the concession to the North Coast Co. and grant it to themselves. Requests the influence of this Government in support of this action.	392
602	Mr. Beaupré to Mr. Knox..	Jan. 21	Naval station at Guantanamo. The error of description in the agreement has been corrected; incloses corrected copy.	353
605	Same to same.....	Jan. 23	Same subject. Reports probable success of opposition in the Cuban Senate to ratification of the agreement.	353
	Same to same (telegram)...	Jan. 25	Concession for construction of a bridge across the entrance to the port of Habana. Quotes the reply of the foreign office, saying that as the concession was made by an act of Congress, the President can not suspend its effect, but he will defer its execution for a reasonable period to permit investigation by this Government.	372
	Mr. Knox to Mr. Beaupré (telegram).	Jan. 28	Same subject. Instruction to reply to the Cuban note saying that this Government's investigation will soon be concluded as to the alleged inability of the Cuban President to suspend the effect of the act making the concession, it would seem that the Zapata Swamp matter affords a precedent for acting as desired by this Government.	372
610	Mr. Beaupré to Mr. Knox..	Jan. 29	Same subject. Acknowledges department's instruction of Jan. 28 and incloses a note that he has addressed to the foreign office embodying that instruction. Discusses the bearing of the Zapata Swamp matter on the present case.	373
612	Same to same.....	...do....	Proposed arbitration of insurrectionary claims of France, Germany and Great Britain. The President of Cuba has requested authority of Congress for arbitration.	841
620	Same to same.....	Feb. 6	Concession for construction of a bridge across the entrance to the port of Habana. Refers to his 610 and discusses the Cuban law bearing on the subject.	374
	Same to same (telegram)...	...do....	Newspaper attack on the American Legation. The newspaper "Cuba" charges Mr. Beaupré and Mr. Gibson with blackmail and graft, in scurrilous and libelous articles in the issue of Feb. 5. The minister recommends that he be authorized to request Cuban Government to bring suit for criminal libel.	405

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No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Beaupré to Mr. Knox (telegram).	Feb. 6	Same subject. Reports another libelous article in the same newspaper on Feb. 6.	406
619	Same to same	do	Same subject. Incloses copies of the libelous articles and reiterates his recommendation.	406
	Same to same (telegram)	Feb. 7	Same subject. Reports another libelous article in the same newspaper on Feb. 7, and other matters pertaining to the editor, Soto, who is declared by "Cuba" to be immune from prosecution, as a Congressman.	406
	Mr. Knox to Mr. Beaupré (telegram).	do	Same subject. Instruction to request at once of the Cuban Government immediate, active and adequate prosecution of those guilty of the scurrilous and libelous statements against the personnel of the Legation.	407
	Same to same (telegram)	Feb. 8	Concession for construction of a bridge across the entrance to the port of Habana. Summarizes the report received from the War Department, which sets forth reasons why the bridge would be injurious to the interests of both Governments. Instructs him to communicate the objections to the Cuban Government.	375
193	Same to same	do	Caibarién-Nuevitas railway project. Informs him of the British request of Jan. 20, and instructs him to point out to the Cuban Government that the seemingly well-defined attitude of Great Britain appears to require the most serious attention of the Cuban Government to the matter.	393
1749	Mr. Knox to Mr. Bryce	do	Same subject. Informs him of the instruction given the American minister in pursuance of the British Ambassador's letter of Jan. 20.	393
621	Mr. Beaupré to Mr. Knox	Feb. 10	Newspaper attack on the American Legation. Refers to his dispatch 619 and gives detailed report of the matter. Incloses copy of note sent to the foreign office in pursuance of the instruction of Feb. 7.	407
195	Mr. Knox to Mr. Beaupré	Feb. 13	Concession for construction of a bridge across the entrance to the port of Habana. Refers to department's Feb. 8 and observes that while the department is not now disposed to argue upon the question whether or not the project is now legally binding on the Cuban Government, the department finds it proper to instruct the minister to call the Cuban Government's attention to the apparent advantages of the plan of harbor improvement projected by the Government Board in 1907. Further instructs to leave the Cuban Government in doubt as to the unalterable character of the department's opinion that the project is inadmissibly detrimental to the vital interests of both Governments. Discusses the Zapata matter.	376
196	Same to same	Feb. 14	Same subject. Acknowledges the Legation's 620 and in reply refers to department's Feb. 13.	377
626	Mr. Beaupré to Mr. Knox	Feb. 17	Caibarién-Nuevitas railway project. Gives a résumé of the whole matter of the Caibarién-Nuevitas concession.	393
	Mr. Knox to Mr. Beaupré (telegram).	Feb. 18	Same subject. Instructs the minister to suspend action till further instructed, in view of a request for a hearing made by the North Coast Company.	399
	Mr. Beaupré to Mr. Knox (telegram).	do	Newspaper attack on the American Legation. Reports delay of Cuban Government in instituting proceedings. Recommends formulation of the department's views for presentation to the Cuban Government.	401
	Same to same (telegram)	Feb. 20	Same subject. The scurrilous press is growing bolder in the belief they have nothing to fear from this Government.	409
	Mr. Knox to Mr. Beaupré (telegram).	do	Same subject. Quotes aide mémoire of Feb. 20 directed by the department to the Cuban Legation, insisting on immediate and adequate action against the libelous newspaper.	409
627	Mr. Beaupré to Mr. Knox	do	Caibarién-Nuevitas railway project. Refers to department's Feb. 8 and reports that in view of the British minister's request to the Cuban Government the department's Feb. 8 would not meet the present situation.	399
	Mr. Knox to Mr. Bryce	Feb. 25	Same subject. Refers to department's note of Feb. 8, and of its subsequent decision to postpone action and hear the argument of the North Coast Company, which has caused the department to conclude that this Government can not give preference to either company as against the other.	400

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No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Knox to Mr. Beaupré (telegram).	Feb. 26	Same subject. Refers to department's Feb. 18. After hearing the North Coast Company's statement the department finds that the controversy is not such as to require this Government to give preference to either company as against the other. Instructs the minister to disregard the instruction of Feb. 8 and inform the foreign office of the later attitude of this Government.	400
637	Mr. Beaupré to Mr. Knox..	Feb. 26	Concession for construction of a bridge across the entrance to the port of Habana. Encloses copy of the note sent to the foreign office in pursuance of department's instruction 195. Reports an interview with the Concessionaire Waddell.	377
49	Mr. Bryce to Mr. Knox.....	Feb. 27	Caibarién-Nuevitas railway project. Requests reconsideration of the department's decision.	401
	Mr. Knox to Mr. Bryce....	Mar. 3	Same subject. In view of the British request the minister will be instructed to take up the subject with the British Legation at Habana with the aim of reaching some common understanding.	401
	Mr. Knox to Mr. Beaupré...	...do....	Same subject. Instruction in accord with the reply to the British ambassador, of even date.	402
	Mr. Beaupré to Mr. Knox (telegram).	Mar. 4	Cuban amnesty bill. Reports final form of the bill.	356
	Same to same (telegram)....	...do....	Same subject. Corrects above report.	356
	Mr. Bryan to Mr. Beaupré (telegram).	Mar. 5	Same subject. Instruction to say to the President of Cuba that this Government hopes the bill will be restricted to political offenses.	357
	Mr. Beaupré to Mr. Bryan (telegram).	Mar. 6	Same subject. Reports execution of instruction of Mar. 5, but the President of Cuba is determined to sign the bill.	357
9	Mr. Rivero to Mr. Bryan....	Mar. 7	Same subject. Explains that the bill comprises no offenses against international law and does not affect the status of those that may be found guilty of attacks on members of the legation of the United States.	357
	Mr. Bryan to Mr. Beaupré (telegram).	...do....	Same subject. Instruction to say to the Cuban Government that this Government is firmly convinced that the President of Cuba will upon further study decide to veto the bill; reasons given.	357
	Mr. Beaupré to Mr. Bryan (telegram).	...do....	Same subject. The President of Cuba has signed the bill with full knowledge of the department's objections.	358
	Mr. Bryan to Mr. Beaupré (telegram).	Mar. 8	Same subject. Instruction to express the serious concern of this Government, which holds the Cuban Government fully responsible for any resulting injuries to American citizens in violation of their rights.	358
	Mr. Rivero to Mr. Bryan....	Mar. 10	Same subject. Inquires what are the objections of this Government to the bill; incloses copy.	358
	Mr. Bryan to Mr. Romero..	Mar. 12	Same subject. Replies to the minister's Mar. 10, giving reasons for objection to the bill.	360
	Mr. Bryan to Mr. Beaupré (telegram).	Mar. 12	Same subject. Informs the American minister of the reply of the department to the Cuban minister.	361
210	Mr. Wilson to Mr. Beaupré.	Mar. 13	Concession for construction of a bridge across the entrance to the port of Habana. Acknowledges the legation's 637 and instructs to keep the department informed.	379
	Mr. Beaupré to Mr. Bryan (telegram).	Mar. 14	Newspaper attack on the American Legation. The delay of the Cuban Government continues. Reiterates his recommendation of vigorous measures by the department.	409
	Same to same (telegram)...	Mar. 14	Cuban amnesty bill. The President of Cuba has returned the bill to Congress for amendment so as to cover only political offenses.	361
	Same to same (telegram)...	Mar. 15	Same subject. The House amended the bill and passed it. It now comprises only political and electoral crimes; speeches attacking the attitude of this Government were made during the debate.	361
653	Mr. Beaupré to Mr. Bryan.	...do....	Caibarién-Nuevitas railway project. Reviews his conferences with the British minister and states the points of difference of opinion between them.	402
654	Same to same.....	...do....	Proposed arbitration of insurrectionary claims of France, Germany, and Great Britain. Bills embodying the President's recommendation of arbitration have been introduced in both houses. Descriptions.	341
655	Same to same.....	Mar. 18	Same subject. Gives text of the House bill, now before the Senate.	342

CUBA—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
656	Mr. Beaupré to Mr. Bryan.	Mar. 18	Newspaper attack on the American Legation. Incloses a letter from an attorney, A. W. Kent, expressing his doubt of the possibility of punishing those responsible for the libelous articles. The minister suggests insisting on arrest and indictment during the recess of Congress, as provided in the constitution.	410
	Mr. Wilson to Mr. Beaupré (telegram).	...do....	Cuban amnesty bill. Instruction not to press objections any further.	362
657	Mr. Beaupré to Mr. Bryan	...do....	Same subject. Elaborates his telegram of Mar. 15.	362
	Same to same (telegram)...	Mar. 20	Same subject. The Senate has rejected the House bill.	363
727	Mr. Rodgers to Mr. Bryan..	...do....	Zapata swamp concession. Informs him of the transfer of the concession to an American corporation that will at once proceed to make surveys and begin reclamation work.	367
664	Mr. Beaupré to Mr. Bryan.	Mar. 22	Same subject. Incloses copy of a presidential decree reviving the decree of June 18, 1912, by which the concession had been granted, but with stipulated interpretation thereof in accordance with the suggestions of the department.	368
662	Same to same.....	...do....	Caibarién-Nuevitas railway project. Submits his opinion that the renewed contention of the British minister offers no fresh argument and is taken up with legal technicalities.	403
	Same to same (telegram)...	Mar. 27	Cuban amnesty bill. Congress has adjourned. New Congress to convene on Apr. 6.	363
	Same to same (telegram)...	...do....	Proposed arbitration of insurrectionary claims of France, Germany, and Great Britain. The Senate has approved the House bill quoted in the minister's Mar. 18.	342
	Same to same (telegram)...	...do....	Naval station at Guantanamo. Congress adjourned without acting on the Guantanamo matter. Will convene again Apr. 6.	354
	.....	.....	Same subject. Note relative to expiration of Guantanamo treaty, by limitation, on June 27, 1913.	354
	Mr Bryce to Mr. Knox....	Mar. 31	Caibarién-Nuevitas railway project. Forwards a copy of the British minister's report (referred to by Mr. Beaupré in his Mar. 22) for the department's consideration.	404
215	Mr. Adee to Mr. Beaupré..	Apr. 4	Zapata swamp concession acknowledges his No. 664 of Mar. 22, and incloses copy of a letter to the concessionaire making it clear that this Government does not indorse the project as a commercial enterprise.	368
	Mr. Beaupré to Mr. Bryan (telegram).	May 1	Cuban amnesty bill. The House has passed a new bill. Its provisions are given.	363
	Mr. Moore to Mr. Beaupré (telegram).	...do....	Same subject. Inquires difference between the new bill and the one before the last Congress.	363
	Mr. Beaupré to Mr. Bryan (telegram).	...do....	Same subject. The bill differs from the old one only as stated in the minister's last telegram.	363
223	Mr. Bryan to Mr. Beaupré..	May 8	Caibarién-Nuevitas railway project. It appears from Mr. Beaupré's Mar. 22, and from Mr. Bryce's Mar. 31 that the contentions urged by the British Government are of a legal nature, which this Government does not feel called on to discuss with the Cuban Government.	404
	Same to same (telegram)....	May 14	Inauguration of President Menocal. The minister is informed of the personnel of the special mission appointed to attend the inaugural ceremonies.	333
	Mr. Moore to Mr. Beaupré (telegram).	May 15	Same subject. Instructs him that the legation staff is attached to the special mission.	333
	Mr. Beaupré to Mr. Bryan (telegram).	..do....	Same subject. Mr. Gibson will meet the special mission at Key West.	333
	Mr. Bryan to Mr. Beaupré (telegram).	May 17	Proposed arbitration of insurrectionary claims of France, Germany, and Great Britain. Instructs to say that this Government cordially approves the measures pending in the Cuban Congress designed to create boards for arbitration of claims of European citizens against Cuba.	343
19	Mr. de la Vega to Mr. Moore	May 20	Inauguration of President Menocal. Notification of the inauguration of President Menocal and Vice President Varona.	334
	Mr. Bell to Mr. Bryan.....	May 23	Same subject. The secretary of the special mission reports the order of inaugural ceremonies; addresses by the special mission to the retiring and the incoming Presidents and their replies; greetings of the President of the United States and other formalities.	334

CUBA—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Bryan to Mr. Bryce.....	May 24	Caibarién-Nuevitas railway project. It appears from the British ambassador's Mar. 31 and the American minister's Mar. 22 that the British contentions are of a legal nature, which this Government does not feel called on to discuss with Cuba.	405
	Mr. Moore to Mr. Daniels...	May 27	Participation of a Cuban delegation in the dedication of the National Maine Monument in New York City. Informs him of steps taken to receive the Cuban delegation.	414
	Cuban Legation to the Department.	May 28	Same subject. Memorandum of personnel of the Cuban delegation, date of its arrival, etc.	415
	Mr. Beaupré to Mr. Bryan (telegram).	May 31	Proposed arbitration of insurrectionary claims of France, Germany, and Great Britain. The Senate has passed the bill authorizing the President to conclude an agreement to arbitrate prima facie French, German, and British claims.	343
	Mr. Torriente to Mr. Bryan (telegram).	June 3	Participation of a Cuban delegation in the dedication of the National Maine Monument in New York City. Expresses the gratitude of the Cuban Government for the cordial reception of the delegation.	415
22	Mr. de la Vega to Mr. Bryan	June 3	Inauguration of President Menocal. Transmits President Menocal's autograph letter of May 20 to the President, announcing his inauguration.	340
	Mr. Bryan to Mr. Beaupré (telegram).	June 5	Proposed arbitration of insurrectionary claims of France, Germany, and Great Britain. Instruction to say to the President of Cuba that the department's May 17 connotes no insistence on immediate action.	343
	Mr. Beaupré to Mr. Bryan (telegram).	June 6	Same subject. The President of Cuba is pleased with the department's attitude as expressed in its June 5. The Cuban secretary of state has addressed the French minister in terms in harmony with the department's views, promising to state his Government's views in full at an early date.	343
	Mr. Romero to Mr. Bryan..	(Not dated.)	Same subject. A long memorandum setting forth Cuba's position on the subject	344
231	Mr. Bryan to Mr. Beaupré.	June 11	Concession for construction of a bridge across the entrance to the port of Habana. Instructs that the Department has not made any claim under the Platt Amendment: states the Department's attitude and instructs to reiterate this Government's objections in case the bridge project should come up again.	379
	Mr. Beaupré to Mr. Bryan (telegram).	June 16	Newspaper attack on the American Legation. The editor, Soto, responsible for the libelous articles, has made public retraction of his charges. The Minister requests that he be instructed not to press the matter further.	412
	Mr. Bryan to Mr. Beaupré (telegram).	June 19	Same subject. In view of the Minister's telegram of June 16, he is instructed not to press the matter further at present.	412
238	Same to same.....	...do....	Participation of a Cuban delegation in the dedication of the National Maine Monument in New York City. Incloses the Department's reply to Mr. Torriente's letter, with instruction to deliver it.	415
	Mr. Beaupré to Mr. Bryan (telegram).	June 23	Concession for construction of a bridge across the entrance to the port of Habana. The President of Cuba will soon recommend to Congress the repeal of the law granting the concession.	380
239	Mr. Moore to Mr. Beaupré	...do....	Inauguration of President Menocal. Incloses the President's autograph letter of June 18 acknowledging that of President Menocal of May 20, transmitted on June 3.	340
719	Mr. Beaupré to Mr. Bryan.	June 27	Newspaper attack on the American Legation. Incloses copy of "Cuba" printing retraction of its charges.	412
722	Mr. Gibson to Mr. Bryan...	June 30	Participation of a Cuban delegation in the dedication of the National Maine Monument in New York City. Acknowledges the Department's 238 and reports delivery of the inclosure.	416
	Mr. Bryan to Mr. Romero..	July 12	Proposed arbitration of insurrectionary claims of France, Germany, and Great Britain. Reply to the undated memorandum of the Cuban Minister.	347
	Mr. Sanguily to the European ministers.	Aug. 18	Same subject. A long note setting forth the position of the Cuban Government.	348
	Mr. Gonzales to Mr. Bryan (telegram).	Nov. 19	Cuban amnesty bill. A compromise measure has been reported by a joint committee. Provisions given.	364
	Mr. Bryan to Mr. Gonzales (telegram).	Nov. 21	Same subject. Instruction to reiterate this Government's objections, as the bill appears to have the same scope as the preceding one.	364

CUBA—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
43	Mr. Gonzales to Mr. Bryan.	Nov. 25	Same subject. Incloses text of pending bill, which will probably not be enacted.	364
21	Mr. Bryan to Mr. Gonzales.	Dec. 1	Concession for construction of a bridge across the entrance to the port of Habana. Instructs him to withdraw this Government's objection to the project, in views of the changes that have been made in the bridge plans.	380
25	Same to same	Dec. 8	Newspaper attack on the American Legation. Transmits correspondence with the American Legation at Madrid showing the Spanish law relating to immunity of Congressmen. Instructs to invite the Cuban Government's attention thereto when occasion offers.	413
	Mr. Gonzales to Mr. Bryan (telegram).	Dec. 18	Cuban amnesty bill. The President of Cuba has vetoed the bill.	365
	Same to same (telegram)	Dec. 20	Same subject. Gives the President's reasons for his veto.	365
52	Same to same	Dec. 22	Concession for construction of a bridge across the entrance to the port of Habana. In reply to the Legation's note embodying the instruction of Dec. 1, the Cuban Government says that it will nevertheless allow the annulment of the concession to stand.	380

DOMINICAN REPUBLIC.

		1912.		
	Mr. Russell to Mr. Knox (telegram).	Sept. 27	Financial affairs. The Dominican Government has applied to the National Bank of Santo Domingo for a loan, subject to approval by the United States.	456
	Mr. Oliver to Mr. Knox	Dec. 11	Same subject. Informs him of report from the Deputy Receiver General of Dominican customs of the terms of a bill introduced in the Dominican Congress authorizing a loan of $1,500,000.	456
	Mr. Russell to Mr. Knox (telegram).	Dec. 16	Same subject. Reports enactment of the loan bill, and views of the Dominican President as to the limitations of approval by the United States.	457
	Mr. Knox to Mr. Russell (telegram).	Dec. 18	Same subject. Instruction to inform the Dominican President of this Government's approval in principle of making the loan and its authorization of preliminary advances not exceeding $300,000, etc. This Government can not, however, approve the contract until it has examined it in full, nor approve advances to a government it has not recognized. Instructs to send details of the contract.	457
	Mr. Russell to Mr. Knox (telegram).	...do	Same subject. The Dominican Government inquires whether or not the public works bonds could be used as security.	458
	Mr. Wilson to Mr. Russell (telegram).	Dec. 24	Same subject. Legal objections prevent diversion of public works funds to the contemplated loan. This loan can probably be effected with local bankers.	458
	Mr. Russell to Mr. Knox (telegram).	Dec. 28	Same subject. Local bankers not interested in proposed loan at the required rate of interest. The Royal Bank of Canada makes a proposal. Suggestions by the minister as to certain stipulations.	458
	Mr. Knox to Mr. Russell (telegram).	Dec. 31	Same subject. The Department hopes to cable soon a form of contract now in preparation.	458
		1913.		
	Gen. McIntyre to Mr. Knox.	Jan. 4	Same subject. Approves form of contract between the Dominican Republic and the National City Bank of New York; text given.	459
	Mr. Knox to Mr. Russell (telegram).	Jan. 7	Same subject. Transmits contract form approved by Gen. McIntyre. By transmitting it the Department does not indicate that it should be given preference. Instruction so to inform the Dominican Government.	460
	Mr. Russell to Mr. Knox (telegram).	Jan. 15	Political affairs. The Dominican President, Archbishop Nouel, expresses himself as despondent over the probability of his success in attempting to secure good government unless the United States take an active part in controlling elections, and requests the minister to obtain from the department a statement for publication in regard to the necessity for such a step if the disorders of the past tend to recur, as now seems likely.	418
	Mr. Knox to Mr. Russell (telegram).	Jan. 22	Same subject. Makes statement requested by the Dominican President. Instructs the minister in connection therewith.	419

DOMINICAN REPUBLIC—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Russell to Mr. Knox (telegram).	Jan. 22	Financial affairs. The National City Bank's proposal has been accepted on the same terms as transmitted by the Department Jan. 7, except 97½ instead of 96½.	460
	Same to same (telegram) ..	Jan. 24	Political affairs. Quotes response of the Dominican President to the statement made by the Department.	420
	Mr. Knox to Mr. Russell (telegram).	Jan. 30	Financial affairs. The National Bank of Santo Domingo offers objections to the National City Bank of New York contract, which will be studied and settled as soon as possible.	460
	Mr. Peynado to Mr. Knox..	Jan. 31	Arbitration of the boundary dispute with Haiti. Incloses draft protocol proposing to Haiti contractually to accept the provisional line adopted Sept. 24, 1912, by the United States, pending arbitral decision. The minister asserts, however, that such provisional acceptance does not imply renunciation of claims previously made.	467
	Mr. Jarvis to Mr. Knox (telegram).	Feb. 7	Financial affairs. The chairman of the National Bank of Santo Domingo sets forth the objections of the bank to the proposed contract with the National City Bank of New York.	461
	Mr. Oliver to Mr. Knox....	Feb. 10	Arbitration of the boundary dispute with Haiti. Informs him of the War Department's opinion concerning the boundary line, based on the Moya map.	468
	Mr. Knox to Mr. Peynado.	Feb. 11	Same subject. Acknowledges his Jan. 31, 1913.	468
	Mr. Russell to Mr. Knox (telegram).	...do....	The American minister as an arbitrator of a French claim. The minister requests permission to act as one of three arbitrators of a claim for damages preferred against the Dominican Government by a French citizen	470
	Mr. Knox to Mr. Jarvis (telegram).	Feb. 12	Financial affairs. Reply to the foregoing. This Government finds no ground justifying it in interfering in the matter of awarding the contract, as both proposals seem within the legal requirements.	461
	Mr. Knox to Mr. Russell (telegram).	...do....	Same subject. Instructions regarding details of information required by the Department.	461
	Mr. Russell to Mr. Knox (telegram).	Feb. 13	Same subject. Transmits text of proposed contract clauses that do not appear in the form sent by the department.	462
	Mr. Knox to Mr. Russell (telegram).	Feb. 14	The American minister as an arbitrator of a French claim. The department permits him so to act, if he is disposed to do so without compensation.	470
	Same to same (telegram)...	Feb. 18	Financial affairs. Urges haste in approval of loan contract.	463
	Mr. Knox to Mr. Russell (telegram).	Feb. 19	Same subject. Instruction that department consents to certain advances; informs him of reply of department to National Bank of Santo Domingo. Inquires as to meaning of legation's Feb. 13. Instructs to cable text of preamble.	463
	Mr. Russell to Mr. Knox (telegram).	Feb. 21	Same subject. The Dominican Government has ratified the contract with the National City Bank of New York. Transmits text of preamble.	463
	Same to same (telegram)...	Feb. 23	Same subject. The loan contract was signed Feb. 22 and awaits the minister's endorsement. Asks for instructions.	464
	Same to same.....	Feb. 24	Same subject. Same purport as the preceding.....	464
	Mr. Knox to Mr. Russell (telegram).	Feb. 26	Same subject. Refers to the minister's Feb. 23 and suggests an alteration in the contract. Refers to his Feb. 21 and Feb. 24, and instructs the minister as to the procedure and wording to be followed in approving the contract.	464
	Same to same (telegram)...	Feb. 27	Same subject. Quotes certain modifications to be made in the loan notes. Instructs to proceed as instructed Feb. 26, after modifications have been made.	465
	Mr. Knox to Mr. Peynardo.	...do....	Arbitration of boundary dispute with Haiti. Informs him of the War Department's opinion in regard to the boundary line.	464
	Mr. Russell to Mr. Knox (telegram).	Feb. 28	Political affairs. Reports convening of Congress and presentation of the President's message.	420
	Mr. Curtis to Mr. Bryan (telegram).	Mar. 6	Financial affairs. Reports exchange of notes in relation to the loan contract on Mar. 1.	466
	Mr. Bryan to Mr. Garrison.	Mar. 10	Same subject. Informs the Secretary of War of the conclusion of the loan contract and requests that the receiver general of Dominican customs be notified.	466
	Mr. Curtis to Mr. Bryan (telegram).	Mar. 14	Political affairs. President Nouel will resign at an early date. Requests the presence of at least 1 gunboat.	420

DOMINICAN REPUBLIC—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Russell to Mr. Bryan	Mar. 15	Message of President Nouel to Congress. Transmits the message of Provisional President Nouel to the Congress, Feb. 27, 1913.	417
	Mr. Curtis to Mr. Bryan (telegram).	Mar. 19	Political affairs. A second gunboat is desirable at an early date in view of possible revolution upon the resignation of the President.	420
	Mr. Adee to Mr. Curtis (telegram).	Mar. 20	Same subject. Instruction to deliver to the Dominican President the message, quoted, from the President, urging him not to resign.	421
	Mr. Curtis to Mr. Bryan (telegram).	Mar. 24	Same subject. Reports delivery of the President's message to the Dominican President. The Dominican Government urges the presence of a large American war ship.	421
	Archbishop Nouel to Mr. Wilson (telegram).	Mar. 24	Same subject. Acknowledges with thanks the President's communication, but ill health demands the Dominican President's resignation.	421
	Mr. Adee to Mr. Curtis (telegram).	...do....	Same subject. The *Algonquin* will proceed to Dominican waters to establish radio communication with the *Wheeling*.	422
	Mr. Curtis to Mr. Bryan (telegram).	Mar. 26	Same subject. *Algonquin* has established radio communication with the *Wheeling*. The consul at Puerto Plata has been requested to inform the commander of the *Algonquin* in case telegraph line across the island is cut.	422
513	Mr. Ménos to Mr. Doyle....	Mar. 28	Arbitration of boundary dispute with Haiti. Incloses draft protocol addressed Mar. 26, 1913, to the Dominican plenipotentiary.	469
	Mr. Curtis to Mr. Bryan (telegram).	Mar. 31	Political affairs. President Nouel resigned today...	422
	Mr. Hathaway to Mr. Bryan (telegram).	Apr. 1	Same subject. Reports evidence of revolutionary preparations.	422
	Same to same (telegram)...	Apr. 6	Same subject. General Bordas was chosen Dominican President by the Senate at first reading, Apr. 5.	422
	Mr. Curtis to Mr. Bryan (telegram).	Apr. 7	Same subject. Reports revolutionary acts.....	423
	Same to same (telegram)...	Apr. 9	Same subject. Bordas chosen by Senate on second reading.	423
	Same to same (telegram)...	Apr. 11	Same subject. Bordas chosen by Senate at third reading. Rejected by House.	423
	Same to same (telegram)...	Apr. 12	Same subject. Bordas chosen by House on second and third readings.	423
	Same to same (telegram)...	Apr. 14	Same subject. President Bordas inaugurated today..	423
	Mr. Peynado to Mr. Bryan.	June 6	Same subject. Encloses autograph letter of President Bordas to the President, announcing his inauguration.	423
	Mr. Cernuda to Mr. Bryan..	July 1	Arbitration of boundary dispute with Haiti. Sends him copies of a map recently published by order of the Dominican Government showing the provisional boundary line adopted by the United States Sept. 24, 1912.	469
147	Mr. Bryan to Mr. Curtis.....	July 8	Political affairs. Encloses letter from the President to President Bordas acknowledging his autograph letter.	424
	Mr. Curtis to Mr. Bryan (telegram).	Sept. 2	Same subject. Governor Céspedes at Puerto Plata has organized a separate government with himself as president. Government troops are marching against him.	424
	Mr. Bryan to Mr. Hathaway (telegram).	Sept. 4	Same subject. Instruction to cooperate with Commander Long of the *Des Moines* to protect life and property during Puerto Plata revolution.	424
	Mr. Esteva to Mr. Bryan (telegram).	...do....	Same subject. Governor Céspedes has issued a manifesto declaring Puerto Plata severed from the central Government.	424
	Mr. Bryan to Mr. Curtis (telegram).	...do....	Same subject. Instruction to communicate to revolutionists the profound displeasure of the United States.	425
	Mr. Esteva to Mr. Bryan (telegram).	Sept. 6	Same subject. Dominican gunboats are shelling Puerto Plata.	425
	Mr. Osborne to Mr. Hathaway (telegram).	...do....	Same subject. The Seminole may call at Puerto Plata, having sailed before announcement of the closure of that port. Instruction in regard thereto.	425
	Mr. Bryan to Mr. Sullivan..	Sept. 9	Same subject. Instructions to the new American minister.	425
	Mr. Osborne to Mr. Hathaway (telegram).	Sept. 10	Same subject. Instruction in regard to Puerto Plata conditions.	426
	Mr. Esteva to Mr. Bryan (telegram).	Sept. 12	Same subject. Department's instruction to Mr. Hathaway has been complied with.	427
	Mr. Bryan to Mr. Holaday (telegram).	...do....	Same subject. Instruction to the consul at Santiago de Cuba to deliver to Mr. Sullivan certain quoted instructions in regard to the Puerto Plata revolutionists.	427

DOMINICAN REPUBLIC—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Sullivan to Mr. Bryan (telegram).	Sept. 16	Same subject. Reports his measures while at Monte Cristi.	427
	Mr. Esteva to Mr. Bryan (telegram).	...do....	Same subject. Reports engagements at Navarrete and Las Lagunas.	428
	Mr. Peynado to Mr. Bryan..	Sept. 18	Same subject. Notifies him of the closure of the ports of Puerto Plata, Samaná, and Sánchez on Sept. 4.	428
	Mr. Sullivan to Mr. Bryan (telegram).	Sept. 19	Same subject. The minister and Commander Long have conferred with the revolutionists and induced them to abandon resort to violence on the promise of no reprisals; Céspedes to remain governor: an honest ballot and free election.	428
	Mr. Peynado to Mr. Bryan..	Sept. 20	Same subject. Explanation in regard to the blockade involving the Seminole.	428
	Same to same.....	...do....	Same subject. Same purport.....	429
	Mr. Sullivan to Mr. Bryan (telegram).	Sept. 22	Same subject. The Dominican Government consents to parley with revolutionists on the bases reported in the minister's Sept. 19. Remarks regarding the blockade.	430
	(Same to same (telegram)..	...do....	Same subject. Requests authority to insist on opening of all ports on account of closure's effect on customs receipts.	430
	Mr. Bryan to Mr. Sullivan (telegram).	Sept. 25	Same subject. The department believes the blockade should be preserved; reasons given. Objects to the feature of agreement with revolutionists retaining Céspedes as governor. Advises change of military commanders at certain points; instructs to insist on no reprisals, and full guaranties to revolutionists.	430
81	Mr. Bryan to Mr. Peynado.	Sept. 26	Same subject. This Government will respect the blockade of Puerto Plata, Sánchez, and Samaná, and will assist in preserving it.	431
	Mr. Sullivan to Mr. Bryan (telegram).	Sept. 27	Same subject. Revolutionists accede to agreement amended to supplant Governor Céspedes.	431
	Mr. Osborne to Mr. Sullivan (telegram).	Sept. 30	Same subject. The department suggests a written agreement with the revolutionists, witnessed by representative of this Government.	431
	Mr. Sullivan to Mr. Bryan (telegram).	Oct. 2	Same subject. Reports delivery to both contending parties of the basis suggested for an agreement. Inquiries whether or not the agreement may be regarded as a treaty.	432
	Mr. Bryan to Mr. Sullivan (telegram).	Oct. 4	Same subject. The agreement should not be construed as a treaty. Further instructions. Approval of course taken by the minister.	432
	Mr. Sullivan to Mr. Bryan (telegram).	Oct. 6	Same subject. The revolutionists yield, and will rely on the American promise to insist on free elections. Gives further details.	432
	Mr. Moore to Mr. Sullivan (telegram).	Oct. 8	Same subject. The department assumes immediate delivery of arms by the revolutionists. Requests full statement of terms of agreement.	433
	Mr. Sullivan to Mr. Bryan (telegram).	Oct. 10	Same subject. The revolutionists repudiate the agreement negotiated by their fully empowered representatives. The minister requests instruction to take the most drastic measures.	433
	Same to same (telegram)...	Oct. 10, 7 p. m.	Same subject. Gives terms of the agreement.	433
	Mr. Bryan to Mr. Sullivan (telegram).	Oct. 13	Same subject. Instructs to insist on resort to constitutional methods and to let the revolutionists know that this Government will exert its full power against them.	434
	Mr. Peynado to Mr. Bryan	Oct. 15	Same subject. The blockade and closure of the ports of Samaná and Sánchez has been ended.	434
	Mr. Hathaway to Mr. Bryan (telegram).	Oct. 16	Same subject. The revolutionists have accepted and signed the peace agreement.	434
	Mr. Peynado to Mr. Bryan.	Oct. 25	Same subject. The blockade and closure of the port of Puerto Plata has been ended.	435
	Mr. Sullivan to Mr. Bryan (telegram).	Nov. 13	Same subject. The situation has become tense because of the approaching elections. Suggests retention of the vessels.	435
	Mr. Bryan to Mr. Sullivan (telegram).	Nov. 21	Same subject. Instruction to cable his views as to method of procedure in regard to the elections.	435
	Mr. Sullivan to Mr. Bryan (telegram).	Nov. 22	Same subject. Gives his suggestions as to method of procedure of this Government in regard to the elections.	435
	Mr. Bryan to Mr. Sullivan (telegram).	Nov. 24 7 p. m.	Same subject. Instruction to submit to the Dominican Government the department's suggestions in relation to conduct of elections; text given.	436
	Same to same (telegram)...	Nov. 24, 8 p. m.	Same subject. The *Nashville* will return to Dominican waters about Dec. 10, in time for elections.	437
	Same to same (telegram)...	Nov. 28	Same subject. Inquires the Minister's views in regard to certain details of this Government's plan for observing the elections.	437

DOMINICAN REPUBLIC—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Sullivan to Mr. Bryan (telegram).	Nov. 30	Same subject. Reply to the foregoing.	437
	Mr. Bryan to Mr. Sullivan (telegram).	Dec. 2	Same subject. The Minister's suggestion of non-interfering observation of elections is approved. Three representatives of the department for this purpose will be sent from Washington. Further preparations described.	438
	Mr. Sullivan to Mr. Bryan (telegram).	Dec. 2, noon.	Same subject. The Dominican Government has arrested certain leaders of the opposition. The Minister urges immediate sending of additional vessel.	438
	Same to same (telegram)...	Dec. 2, 10 p. m.	Same subject. Reports armed conflict between the authorities and the opposition. Recommends warning that the revenues will be shut off if coercive measures are used to carry the election.	438
	Same to same (telegram)...	Dec. 3	Same subject. Department's Dec. 2, has had a good effect. Requests about 30 agents to observe the elections in the several precincts.	439
	Same to same (telegram)...	Dec. 4	Same subject. Reports an orderly opposition mass meeting without Government interference.	439
	Mr. Bryan to Mr. Sullivan (telegram).	...do....	Same subject. Further instructions in regard to method of procedure in observing the elections.	439
	Mr. Sullivan to Mr. Bryan (telegram).	Dec. 5	Same subject. Reports decision of the Dominican Government arrived at after a cabinet meeting; gives attitude of the Government toward the department's plan of observation of elections; it will not officially recognize the American observers.	440
	Mr. Bryan to Messrs. Gibson, Sterling and Stabler.	Dec. 6	Same subject. Instruction to proceed to Santo Domingo and place themselves under the direction of the minister.	441
	Mr. Peynado to Mr. Bryan.	...do....	Same subject. Informs the department of his Government's objection to the presence of American observers.	441
	Mr. Sullivan to Mr. Bryan (telegram).	Dec. 7	Same subject. The Dominican Government's attempt to create popular hostility to the American observers has failed. Requests permission to publish certain of the department's telegrams.	443
	Mr. Bryan to Mr. Sullivan (telegram).	...do....	Same subject. Instruction to inform President Bordas of the unofficial character of the observers and the reasons of this Government for sending them.	443
	Mr. Bryan to Mr. Peynado.	Dec. 8	Same subject. Reply to his Dec. 6.	443
	Mr. Peynado to Mr. Bryan.	...do....	Same subject. Reiterates his statement of Dec. 6 and adds further reasons for resenting the attitude of this Government.	444
	Mr. Bryan to Mr. Peynado.	Dec. 9	Same subject. Reply to the foregoing.....	445
	Mr. Sullivan to Mr. Bryan (telegram).	...do....	Same subject. The Dominican Government raises no objection to the presence of the American observers though not in favor of it.	446
	Mr. Bryan to Mr. Sullivan (telegram).	Dec. 10	Same subject. Instructs him to take charge of the department's representatives who will observe the elections.	446
	Mr. Sullivan to Mr. Bryan (telegram).	Dec. 13	Same subject. The agents have departed for their posts; the three delegates of the department will remain at Santo Domingo.	447
	Same to same (telegram)...	Dec 15	Same subject. The agents before their departure, and the delegates, were courteously received by the President. The first day's polling apparently peaceful.	447
	Same to same (telegram)...	Dec. 16	Same subject. Government coercive action has resulted at Santo Domingo in friction and refusal of opposition to vote. Elsewhere returns indicate orderly elections.	447
	Same to same (telegram)...	Dec. 17	Same subject. To cure friction caused by Government's arrest at Santo Domingo of opposition leaders, the Minister has prevailed on President Bordas to take certain steps to prevent disorder and secure full popular expression at the polls.	447
	Mr. Bryan to Mr. Sullivan (telegram).	Dec. 18	Same subject. Instruction to urge Dominican Government to avoid criticism by calling special elections in all disaffected precincts.	448
	Mr. Sullivan to Mr. Bryan (telegram).	...do....	Same subject. In harmony with the Minister's request, President Bordas will call a special session of Congress Jan. 4, 1914, to consider election contests. Recommends immediate consideration of the Dominican financial situation.	448
	Same to same (telegram)...	Dec. 19	Same subject. The department's delegates sail to-day.	448
	Messrs. Gibson, Sterling and Stabler to Mr. Bryan.	Dec. 20	Same subject. Report of their action as observers of the elections, and of Dominican conditions.	449

DOMINICAN REPUBLIC—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
40	Mr Sullivan to Mr. Bryan.	Dec. 23	Same subject. Report on elections, including report of the chief of the 29 agents.	453
	Same to same (telegram)...	Dec. 28	Same subject. Federico Velásquez arrested as participant in a plot to overthrow the Government. The Minister has asked that he be tried. The country is tranquil, but financial affairs are in bad condition.	456

ECUADOR.

		1912.		
	Mr. Wilson to Mr. Janes....	Dec. 14	Guayaquil & Quito Ry. Co. claims arbitration proceedings. Incloses appointment as arbitrator and other papers.	473
	Mr. Bingham to Mr. Knox (telegram).	...do....	Same subject. The departure of Mr. Janes has been requested by Ecuador, pending transmission of a note from the foreign office.	474
	Mr. Knox to Mr. Bingham (telegram).	Dec. 16	Same subject. Instruction to explain to the Government that it is too late to defer departure of Mr. Janes.	474
170	Mr. Bingham to Mr. Knox	...do....	Same subject. Reports an interview with the Minister for foreign affairs and incloses the note from the foreign office referred to in his telegram of Dec. 14, No. 118 of Dec. 12.	474
		1913.		
174	Same to same.....	Jan. 6	Sanitation of Guayaquil. Reports that Col. Gorgas and other members of the American Sanitary Commission sailed for Panama Dec. 24, 1912.	505
	President Taft to President Plaza.	Jan. 10	Recognition of President Plaza. Response to President Plaza's announcement of his assumption of the presidency.	471
175	Mr. Bingham to Mr. Knox.	Jan. 16	Guayaquil & Quito Ry. Co., claims arbitration proceedings. Reports arrival of Mr. Janes.	477
62	Mr. Knox to Mr. Bingham.	Jan. 21	Same subject. Acknowledges his 170.	477
187	Mr. Bingham to Mr. Knox.	Feb. 19	Same subject. Incloses notes 202 and 212 from the Foreign Office, and the Legation's 150, touching details of arrangements for a meeting of the arbitrators.	477
189	Same to same.....	Feb. 22	Same subject. Incloses his No. 151 to the Foreign Office concerning the scope of the powers of the arbitrators.	479
193	Same to same.....	Feb. 28	Same subject. Incloses Foreign Office note No. 230, in answer to Legation's 151; it assumes that the Legation's 151 is a reply to the Foreign Office note No. 118 of Dec. 12.	480
	Mr. Stimson to Mr. Knox..	Mar. 1	Sanitation of Guayaquil. Transmits the report of Col. W. C. Gorgas in regard to sanitary conditions in Guayaquil.	505
	Mr. Janes to Mr. Bryan....	Mar. 5	Guayaquil & Quito Ry. Co. claims arbitration proceedings. Refers to department's No. 62 of Jan. 21, and reports upon the arbitration situation.	480
195	Mr. Bingham to Mr. Bryan.	Mar. 6	Same subject. Reports information as to the instructions given the new Ecuadorean Minister to the United States, Dr. Córdova, including a possible request for the recall of Mr. Janes.	483
	Same to same (telegram)...	Mar. 8	Same subject. Report on the status of arbitration matters. Ecuador evidently intends to make the Arbitral Tribunal subject to control by Ecuadorean courts.	483
	Same to same.....	Mar. 11	Same subject. Incloses a letter from Mr. Janes reporting a request by a local judge that the Arbitrator qualify before him. Mr. Janes refused and replied that the question of jurisdiction was now in diplomatic channels and would be taken up with the Foreign Office.	484
197	Same to same.....	Mar. 17	Same subject. Incloses note No. 249 from the Foreign Office and Legation's reply, No. 159, relating to the contention of Ecuador for the jurisdiction of local courts over the Arbitral Tribunal.	485
200	Same to same.....	Apr. 3	Same subject. Incloses correspondence between the American Arbitrator, the local judge and the Minister of the Interior, as to local jurisdiction and the character of the Arbitral Tribunal.	486
69	Mr. Adee to Mr. Bingham..	Apr. 5	Sanitation of Guayaquil. Incloses a letter from Col. Gorgas to the President of Ecuador relating to accounts of the American Sanitary Commission, and check for unused balance of funds. The minister is instructed to present the accounts and check personally to the President, with a suggestion that the matter be made public, including the fact that more than half of the appropriation for the Commission's expenses had been returned.	506

ECUADOR—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
202	Mr. Bingham to Mr. Bryan.	Apr. 8	Guayaquil & Quito Ry. Co., claims arbitration proceedings. Incloses further correspondence, as in his No. 200 of Apr. 3.	491
	Same to same (telegram)...	Apr. 9	Same subject. Refers to his telegram of Mar. 8. Arbitration matters have come to a standstill; reports the conflicting views of the parties in regard to jurisdiction of local courts. Requests instruction.	492
	Same to same (telegram)...	Apr. 14	Same subject. Refers to his No. 195 of Mar. 5. The minister hears that the minister of Ecuador has requested the recall of Mr. Janes. Mr. Bingham regards this as unwarranted and seriously undesirable.	493
	Same to same (telegram)...	Apr. 18	Same subject. Transmits the resignation of Mr. Janes.	494
315	Mr. Wither to Mr. Bryan..	May 8	Same subject. Acceptance by Ecuador of Judge A. L. Miller as American arbitrator vice Mr. Janes.	494
	Mr. Schuyler to Mr. Bryan (telegram).	May 24	Sanitation of Guayaquil. Urges strong representations to the Government of Ecuador in behalf of American firms who may compete for the sanitation loan and contract.	507
	Mr. Bryan to Mr. Schuyler (telegram).	June 26	Same subject. Instruction to use his best efforts to secure opportunity for Americans to obtain the contract. In view of Ecuador's invitation to the Isthmian Canal Commission to report on the matter, Americans should not be excluded from bidding.	507
327	Mr. Wither to Mr. Bryan..	...do....	Guayaquil & Quito Ry. Co. claims arbitration proceedings. It is clearly understood by the Government of Ecuador that the finding of the American and Ecuadorean arbitrators will be considered by Ecuador as final.	494
	Mr. Schuyler to Mr. Bryan (telegram).	July 1	Sanitation of Guayaquil. Americans will be given opportunity to secure contract. MacArthur Bros. is the only American firm competing. States on question as to bonds still unsettled.	507
15	Same to same.....	July 19	Same subject. Incloses a letter from the Guayaquil committee, showing discrimination against Americans; the minister has protested; urges strong representations.	508
3	Mr. Moore to Mr. Schuyler	July 21	Slavery of Indians in the Province of Oriente. Incloses a note of July 5 from the British Embassy regarding labor conditions in certain parts of Ecuador. Instructs to inform the department thereon and give his views as to the advisability of cooperating with the British Government in addressing Ecuador.	521
85	Mr. Moore to Sir Cecil Spring Rice.	...do....	Same subject. Acknowledges his July 5 and informs him of its transmittal to the American minister.	522
	Mr. Schuyler to Mr. Bryan (telegram).	July 31	Sanitation of Guayaquil. Suggests that MacArthur Bros. immediately send a representative with full powers. It is the only American house interested.	509
	Same to same (telegram)...	Aug. 6	Same subject. Reports that although the MacArthur bid is the best, it is not being considered, as the firm is American.	509
	Mr. Córdova to Mr. Bryan.	Aug. 8	Guayaquil & Quito Ry. Co. claims arbitration proceedings. The Government of Ecuador considers unnecessary any protocol previous to organization of the arbitral tribunal; reasons given; desires that the American arbitrator go to Quito as soon as possible; states that the tribunal will be held independent of every authority of Ecuador or the United States; and that the arbitrators are amiables compositeurs, competent to render a final decision.	495
	Mr. Bryan to Mr. Schuyler (telegram).	Aug. 13	Same subject. Transmits the substance of Mr. Córdova's note of Aug. 8; instructs him to inform the foreign office thereof.	496
19	Mr. Schuyler to Mr. Bryan.	...do....	Message of the President. Transmits copy of President Plaza's message to the Ecuadorean Congress.	471
	Mr. Bryan to Mr. Schuyler (telegram).	Aug. 14	Sanitation of Guayaquil. Approves the course of the minister as reported in his July 19. Instruction to report present status of bids. Inquires concerning specifications and other matters.	509
	Mr. Schuyler to Mr. Bryan (telegram).	Aug. 18	Same subject. Response to the foregoing. The foreign office, replying to his protest, says nothing will be done until return from Europe of the Government's special commissioner.	510

ECUADOR—Continued.

No.	From and to whom.	Date.	Subject.	Page.
	Mr. Bryan to Mr. Córdova	1913. Aug. 27	Guayaquil & Quito Ry. Co. claims arbitration proceedings. Refers to Mr. Córdova's note of Aug. 8 and states that the President of Ecuador declines to respond to the presentation of the purport thereof until he hears from Mr. Córdova; requests him to confirm to the President the note of Aug. 8 to the department; summary of the points thereof.	497
26	Mr. Schuyler to Mr. Bryan.	Aug. 30	Sanitation of Guayaquil. Transmits correspondence with Ecuadorean officials. The outlook for American bidder is worse. The London firm of J. G. White & Co. is bidding.	510
25	Same to same	...do....	Slavery of Indians in the Province of Oriente. Acknowledges department's No. 3 of July 21, and replies thereto, with suggestion of cooperation with the British Government.	522
10	Mr. Osborne to Mr. Schuyler.	Sept. 8	Same subject. Incloses a note of Aug. 12 from the British Embassy relating to the alleged traffic at Iquitos in slaves.	523
31	Mr. Schuyler to Mr. Bryan.	Sept. 14	Guayaquil & Quito Ry. Co. claims arbitration proceedings. Incloses a note dated Sept. 12, from the foreign office relating to Mr. Córdova's note of Aug. 8 to the department, which the foreign office confirms.	498
	.....	Sept. 27	Sanitation of Guayaquil. Historical summary of the subject prepared in the Division of Latin-American Affairs of the department.	512
1	Mr. Bryan to Mr. Hartman.	Sept. 29	Slavery of Indians in the Province of Oriente. Acknowledges Mr. Schuyler's No. 25 of Aug. 30, and instructs to confer with the British Legation on the matter.	524
	Mr. Bryan to Mr. Hartman (telegram).	Oct. 13	Sanitation of Guayaquil. Instruction to inquire of the President of Ecuador whether he still wishes to secure the assistance of the Isthmian Canal Commission in accordance with the report of Col. Gorgas. This inquiry is made in the interests of both Governments in view of this Government's concern for the health of the Isthmus.	517
	Mr. Hartman to Mr. Bryan (telegram).	Oct. 17	Same subject. Reply to the foregoing. The President of Ecuador says that a representative of J. G. White & Co. has sailed from London to close the contract with Ecuador; that if the United States will assist in having a receiver appointed for the Guayaquil & Quito Ry. Co., he will have inserted in the White Co., contract a provision requiring the sanitation work to be done under the supervision of Col. Gorgas. The President declares that the unfriendliness to the United States is caused by the conduct of the railway company, and consent to a receivership would remove all resentment.	517
	Mr. Bryan to Mr. Hartman. (telegram).	Oct. 22	Same subject. Instruction to state to the President of Ecuador the regret of this Government that he should attempt to connect the railway case with the sanitation contract, and to present the argument in favor of Ecuador's friendly cooperation with this Government, in the sense of the instruction. MacArthur Bros. will bid if assured of reasonable treatment.	517
	Mr. Córdova to Mr. Bryan (telegram).	Oct. 28	Guayaquil & Quito Ry. Co. claims arbitration proceedings. Informs him that the Congress of Ecuador has empowered the President to accept as unappealable the award to be made by the Arbitral Tribunal. Requests that the department instruct the American arbitrator to proceed to his duties.	499
	Mr. Hartman to Mr. Bryan (telegram).	...do....	Same subject. The Congress of Ecuador has authorized the President to enter into an agreement with the railway company specifying the questions to be considered by the Arbitral Tribunal, which agreement will stipulate that the arbitral award shall be final.	499
	Mr. Moore to Mr. Córdova.	Oct. 30	Same subject. Acknowledges his telegram of Oct. 28. Judge Miller, American arbitrator, will be requested to proceed at once to Ecuador.	499
	Mr. Moore to Mr. Miller.	...do....	Same subject. Incloses copy of the note of Sept. 12 from the foreign office (inclosed in Mr. Schuyler's Sept. 14); requests to be informed of the date of departure of the arbitrator for Ecuador.	500
	Mr. Hartman to Mr. Bryan (telegram).	Nov. 7	Same subject. Inquires concerning a preliminary agreement of submission of the questions to be arbitrated.	500

ECUADOR—Continued.

No.	From and to whom.	Date.	Subject.	Page.
	Mr. Hartman to Mr. Bryan (telegram).	1913. Nov. 7	Sanitation of Guayaquil. Reply to department's Oct. 22. The contract will probably be given to J. G. White & Co. States his argument to the President in executing department's instruction. Suggests that he confer with agent of White & Co.	518
	Mr. Bryan to Mr. Hartman (telegram).	Nov. 8	Guayaquil & Quito Ry. Co., claims arbitration proceedings. The American arbitrator will sail for Ecuador on Nov. 29. Instruction so to advise the foreign office and to inquire if Ecuador will be ready to proceed upon Judge Miller's arrival.	501
	Same to same (telegram)...	Nov. 11	Same subject. The memorandum referred to in Mr. Hartmans Nov. 7 will be sent by next mail.	501
13	Mr. Hartman to Mr. Bryan.	Nov. 13	Slavery of Indians in the Province of Oriente. Refers to department's Nos. 3 and 10 to Mr. Schuyler and No. 1 to himself, and reports on conditions as ascertained from various sources. Suggests that the secretary of the legation make a trip of investigation. Requests instructions.	524
5	Mr. Bryan to Mr. Hartman.	Nov. 14	Guayaquil & Quito Ry. Co. claims arbitration proceedings. Incloses copy of the note of agreement referred to in Mr. Hartman's Nov. 7 and department's Nov. 11. This agreemnt is dated July 1, 1913, and although not formally signed, embodies the views concurred in by all the interested parties.	501
	Mr. Hartman to Mr. Bryan (telegram).	Nov. 17	Same subject. Ecuador will be ready to proceed when the American arbitrator arrives.	504
	Same to same (telegram)...	...do....	Sanitation of Guayaquil. Reports conferring with agent of White & Co., who says Engineer Williamson, formerly with the Isthmian Canal Commission, will be in charge of the work.	519
	Mr. Bryan to Mr. Hartman (telegram).	Nov. 19	Guayaquil & Quito Ry. Co. claims arbitration proceedings. The American arbitrator will sail on Nov. 29. Instruction to arrange with the Government for a special train to Quito.	504
	Mr. Hartman to Mr. Bryan (telegram).	Nov. 21	Same subject. The Government will furnish a special train. The minister has expressed thanks therefor.	504
	Mr. Bryce to Mr. Bryan....	Dec. 3	Slavery of Indians in the Province of Oriente. Refers to the British Ambassador's note of July 5 and the Department's reply of July 21. Inquires whether the Department has received any report from the American Legation.	527
	Mr. Goding to Mr. Bryan..	Dec. 10	Sanitation of Guayaquil. The American Consul General at Guayaquil summarizes the White & Co. contract with Ecuador for the sanitation work.	519
	Mr. Hartman to Mr. Bryan (telegram).	Dec. 14	Same subject. Reports signing of the White & Co. contract.	521
	Same to same (telegram)...	Dec. 15	Revolution at Esmeraldas. Requests sending of the transport Buffalo from Corinto to Esmeraldas.	472
	Same to same (telegram)...	...do....	Same subject. The foreign office admits serious conditions.	472
	Same to same (telegram)...	Dec. 16	Same subject. Bombardment threatened. Renews request for the Buffalo.	472
	Mr. Bryan to Mr. Hartman (telegram).	Dec. 18	Same subject. Instruction to call the Government's attention to the President's statement of policy; to ascertain what the United States can do to support the constitutional government; to learn the causes of the revolution; and to promise any proper aid this Government can render. Cites the success of the good offices of the United States in Santo Domingo.	473
	Mr. Hartman to Mr. Bryan (telegram).	Dec. 24	Same subject. Upon complying with Department's instructions of Dec. 18, the foreign office replied that the Government would not parley with the revolutionists and was confident of soon suppressing them. Gives probable causes of the revolution, which seem insusceptible of compromise.	473

FRANCE.

	Mr. Northcott to Mr. Knox (telegram).	1912. June 3	Reestablishment of relations between France and Venezuela: good offices of the United States. The minister of foreign affairs of Venezuela requests that the Department be informed unofficially of a report that the French Government is ready to send a minister to Venezuela under proper circumstances, and that the Department verify the report if possible.	529

FRANCE—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1912.		
14	Mr. Knox to Mr. Northcott	July 3	Same subject. Refers to the minister's telegram of June 3 and incloses a memorandum from the French Embassy dated Mar. 6, 1912, suggesting a memorandum from the Department to the Secretary of State relating to the probability of a request to him, during his visit at Caracas, from the Venezuelan Government regarding the resumption of its relations with France.	529
60	Mr. Northcott to Mr. Knox.	Aug. 5	Same subject. Refers to Department's No. 14 and reports an interview on the subject with the minister for foreign affairs.	530
24	Mr. Wilson to Mr. Northcott.	Aug. 31	Same subject. Refers to the minister's No. 60 and incloses a letter from the French Embassy dated Aug. 29, requesting that the Department transmit the French Government's views in regard to claims.	531
1056	Mr. Wilson to Count de Peretti de la Rocca.	Sept. 3	Same subject. Acknowledges his Aug. 29, which has been copied to Mr. Northcott for submission to President Gómez.	532
	Mr. Adee to Mr. Jusserand..	Oct. 30	Same subject. Refers to Count de Peretti de la Rocca's Aug. 29 and the Department's Sept. 3. Mr. Northcott has come to Washington bearing the reply of the Venezuelan Government to the note in which Mr. Northcott communicated the substance of Count de Peretti de la Rocca's Aug. 29; this reply is inclosed.	532
101	Mr. Caffery to Mr. Knox....	Nov. 25	Same subject. Refers to Department's No. 24 and incloses copy of a note and projected protocol (not printed) received from the Venezuelan foreign minister on Nov. 19.	533
39	Mr. Knox to Mr. Caffery....	Dec. 11	Same subject. Incloses copy of a note and projected protocol (not printed) received from the French Embassy.	533
	Mr. Jusserand to Mr. Knox.	Dec. 24	Same subject. The French Government has designated a plenipotentiary charged with the duty of signing the contemplated protocol at Caracas; he will arrive there Jan. 20. Requests that this information be conveyed to the Venezuelan Government and expresses the thanks of his Government for the good offices of the Department.	534
	Mr. Wilson to Mr. Caffery (telegram).	...do....	Same subject. Instruction to inform the Venezuelan Government that the French plenipotentiary will arrive at Caracas Jan. 20.	534
1106	Mr. Knox to Mr. Jusserand..	Dec. 31	Same subject. Acknowledges his Dec. 24 and informs him of having transmitted its substance to the American minister at Caracas.	534
		1913.		
139	Mr. Caffery to Mr. Knox...	Feb. 12	Same subject. The protocol for the renewal of relations between France and Venezuela was signed Feb. 11.	535
142	Same to same.....	Feb. 14	Same subject. Incloses note from the minister for foreign affairs expressing his thanks for the good offices of the American Legation.	535
152	Mr. Caffery to Mr. Bryan...	Feb. 19	Same subject. Incloses a note from Baron d'Avril, the French Plenipotentiary, expressing his Government's thanks for the Department's good offices.	536
50	Mr. Bryan to Mr. Caffery..	Mar. 6	Same subject. Acknowledges his No. 142 and instructs him to make a suitable reply.	536
	Same to same.....	Mar. 8	Same subject. Acknowledges his No. 139.	537
	.....	Mar. 15	Arbitration agreement between the United States and France extending the duration of the convention of February 10, 1908. Proclamation and text.	528
165	Mr. Northcott to Mr. Bryan.	Mar. 25	Reestablishment of relatons between France and Venezuela: good offices of the United States. Incloses copy of the protocol as signed.	537
	Mr. Jusserand to Mr. Bryan.	May 6	Same subject. Transmits the thanks of the French Government for the further good offices of the United States in regard to ratification of the protocol.	539
	Mr. Northcott to Mr. Bryan (telegram).	May 14	Same subject. The protocol was ratified by the Venezuelan Congress on May 13. The minister for foreign affairs requests the further friendly offices of the United States with the French Government in securing settlements out of court for French claimants.	539
	Mr. Bryan to Mr. Northcott (telegram).	May 21	Same subject. Now that France has a Legation at Caracas, the good offices of the United States can scarcely continue beyond the point already reached.	539

GREAT BRITAIN.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
1833	Mr. Knox to Mr. Laughlin..	Jan. 17	Panama Canal tolls: exemption of vessels in the coastwise trade of the United States from payment of tolls. Incloses copy of an instruction from Sir Edward Grey to the British Ambassador dated Nov. 14, 1912, and a note from the British Chargé d'Affaires to the Department, dated July 8, 1912; also a copy of the President's proclamation fixing canal tolls, dated Nov. 13, 1912. Argument against the British assertion that the Panama Canal Act of Aug. 24, 1912, is inconsistent with the Hay-Pauncefote Treaty; discussion of the consent of the British Government to arbitration of the question; explanation of this Government's views upon the various problems presented. Instruction to read the Department's statement to Sir Edward Grey.	540
	Mr. Bryce to Mr. Knox....	Feb. 27	Same subject. Reply to the foregoing.	547
231	Mr. Spring Rice to Mr. Bryan.	Sept. 1	Extradition arrangement. Requests that this Government enter into an arrangement for extraditing fugitive offenders from the Philippine Islands or Guam to the State of North Borneo, or vice versa.	549
139	Mr. Bryan to Mr. Spring Rice.	Sept. 23	Same subject. Agrees to the foregoing.	550

GREECE.

		1913.		
	Mr. Schurman to Mr. Bryan (telegram).	Mar. 18	Assassination of King George I and accession to the throne of King Constantine. Reports assassination of King George I.	551
	President Wilson to Queen Olga (telegram).	...do....	Same subject. Condolences.	551
	Mr. Wilson to Mr. Schurman (telegram).	Mar. 19	Same subject. Instructs to convey to the Greek Government the sentiments of horror and sorrow felt by this Government.	551
	Mr. Vouros to Mr. Bryan...	...do....	Same subject. Official notification of.	552
	Mr. Schurman to Mr. Bryan (telegram).	...do....	Same subject. The President's message to Queen Olga has been received and published by the press.	552
154	Mr. Adee to Mr. Vouros....	Mar. 20	Same subject. Acknowledges his note of the 19th inst., and expresses sympathy.	552
	Queen Olga to President Wilson (telegram).	Mar. 21	Same subject. Thanks for his telegram of the 18th inst.	553
	Mr. Schurman to Mr. Bryan (telegram).	...do....	Same subject. Reports that King Constantine took the oath.	553
	President Wilson to King Constantine (telegram).	...do....	Same subject. Offers condolence on the death of the late King and good wishes for himself.	553
	King Constantine to President Wilson (telegram).	Mar. 24	Same subject. Thanks for his telegram of the 21st inst.	553
	Mr. Schurman to Mr. Bryan (telegram).	Mar. 25	Same subject. The funeral of the King will take place April 2. Ministers have been invited to attend.	554
	Mr. Adee to Mr. Schurman (telegram).	Mar. 26	Same subject. Appoints him special representative of the President to attend the funeral of the King.	554
	Mr. Schurman to Mr. Bryan (telegram).	Mar. 28	Same subject. Reports arrival and reception of the body of the King at the Piraeus.	554
	King Constantine to President Wilson.	May 3	Same subject. Announces his accession to the throne and thanks the President for sympathy extended to him and his family on the death of the late King.	555
37	Mr. Moore to Mr. Schurman	July 24	Same subject. Incloses a letter from the President to King Constantine acknowledging the above letter.	555

GUATEMALA.

		1913.		
	Mr. Knox to Mr. Bryce....	Jan. 6	Financial affairs; restitution of the coffee revenues to British bondholders; good offices of the United States. Incloses documents pertaining to the matter; requests consideration thereof; urges adoption of the plan of settlement set forth therein; inquires concerning the delay of reply to the Department's memorandum of Dec. 3, 1912; and states that the Department will defer response to the Embassy's Dec. 30, 1912, until receipt of some communication on the subject from the British Government.	557

GUATEMALA—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Knox to Mr. Laughlin (telegram).	Jan. 7	Notifies him of an instruction to be sent him, pending which he is instructed immediately to express to the British Government the deep interest of the United States in the rehabilitation of Guatemalan finances, and the belief that that Government will reexamine the matter more amicably when the facts are better understood, and the hope that it will confer with the Council of Foreign Bondholders.	557
1828	Same to same	...do	Instruction, referred to in preceding telegram, to urge upon the British Government to abstain from pressing Guatemala for restitution of the coffee revenues or insisting on arbitration, until a reasonable time has been given for concluding the loan agreement; and to express this Government's surprise at the general attitude of the British Government, in view of the special relations of this Government to Latin-American countries.	558
	Mr. Hitt to Mr. Knox (telegram).	Jan. 12	Reports that the British Government refuses to consider a just arrangement for converting the external debt of Guatemala and consequent financial reorganization of the national finances and currency. If the Department thinks it advisable, Guatemala will send a special financial and diplomatic agent to London.	562
	Mr. Knox to Mr. Laughlin (telegram).	Jan. 13	The Council of Foreign Bondholders can not consider any proposal unless approved by the British Foreign Office, which should promptly approve the agreement sent with the Department's instruction of Jan. 7.	562
	Mr. Knox to Mr. Hitt (telegram).	Jan. 14	Refers to Mr. Hitt's Jan. 12. The refusal of the British Government is regarded as tentative, and a favorable reply is hoped for. It is not necessary for Guatemala to send a special agent to London.	562
	Mr. Laughlin to Mr. Knox. (telegram).	...do	Reports compliance with the Department's instruction of Jan. 13.	563
	Mr. Knox to Mr. Laughlin (telegram).	...do	Asks to be informed how the Foreign Office received Mr. Laughlin's representations. The Department hopes the British Government will not insist on arbitration.	563
	Mr. Laughlin to Mr. Knox (telegram).	Jan. 15	Reply to Department's Jan. 14. His representations were amiably received but he does not hope for the consent of the British Government, which fears such a step would be to abandon a secure for a very insecure position.	563
	Same to same (telegram)	Jan. 16	Refers to department's 1828 and reports compliance therewith. Sir Edward Grey promises an early reply.	564
	Mr. Knox to Mr. Hitt (telegram).	Jan. 18	Informs him of the attitude of the British Government. The Department would deplore the sending of a Guatemalan agent to London, which might still further delay the settlement.	564
	Mr. Knox to Mr. Laughlin (telegram).	...do	Directs his attention to the instructions of Dec. 6, 1912, and Jan. 7, 1913. This Government is not asking the British Government to abandon its position except in case the loan agreement is concluded, which hinges on the attitude of the Council of Foreign Bondholders; if they agree and the agreement then fail, this Government will be ready to support the British, as stated in the memorandum of Dec. 3, 1912. Meantime the Department is most anxious for the agreement to go into effect.	564
	Mr. Laughlin to Mr. Knox (telegram).	Jan. 27	The British Government replies that it does not see its way clear to make the recommendation to the bondholders desired by the United States; it believes President Estrada untrustworthy and the loan agreement impossible of success. Incloses memorandum from the British Government.	565
2202	Same to same	Jan. 28	Incloses memorandum from the British Foreign Office stating that while regretting that the United States Government feels unable to join in requesting the Guatemalan Government to refer the matter to arbitration, the British Government has no option but to adopt such measures as may be best calculated to obtain satisfaction.	565
	Mr. Hitt to Mr. Knox (telegram).	...do	Reports on the state of the loan agreement	567
	Mr. Knox to Mr. Hitt (telegram).	Feb. 7	Informs him of the status of the discussion with the British Government.	567
	Mr. Wilson to Mr. Bryan	Mar. 8	Message of the President of Guatemala to the National Legislative Assembly. Text.	556

GUATEMALA—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Moore to Mr. Hitt (telegram).	Apr. 28	Financial affairs. Informs him that unless the coffee revenues are restored before Apr. 30, a British warship will be sent to compel their collection. Instructs him to investigate and report.	568
	Mr. Wilson to Mr. Bryan (telegram).	Apr. 29	Confirms the statement in Department's Apr. 28, and adds that diplomatic relations will be broken off if the matter is not arranged by Apr. 30.	568
	Same to same (telegram)...	May 1	The British Government flatly refuses Guatemala's request for more time.	568
	Same to same (telegram)...	May 6	A British cruiser has arrived at Belize.....	569
	Same to same (telegram)...	May 12	The threatened note was presented May 10, and an agreement was signed the same night accepting the British terms. Gives terms of agreement.	569
	Mr. Bryan to Mr. Laughlin (telegram).	...do....	The Guatemalan Government having requested this Department's friendly mediation for the extension of time on the debt, it was taken up with the British Ambassador, who suggests presentation of the matter by our Embassy to the British Foreign Office. Instruction to say that the Department feels sure that Guatemala is trying to make arrangements for payment of the demand, and it is hoped that a delay until June 1 will enable Guatemala to meet the demand.	569
	Mr. Laughlin to Mr. Bryan (telegram).	May 13	Upon presenting the subject of the instruction of May 12, he was informed that Guatemala had yielded and the question was settled.	569
438	Mr. Wilson to Mr. Bryan...	...do....	Reports the events from May 7 to May 13, ending in the yielding of Guatamala to the British demand.	570
441	Same to same.....	May 15	Transmits copy of the agreement between the British bondholders and the Government of Guatemala.	571

HAITI.

		1913.		
1188	Mr. Furniss to Mr. Knox...	Feb. 25	Abrogation of the right of Syrians to trade in Haiti; rights of American citizens of Syrian birth. Requests that the Department ascertain whether Syrians expelled from Haiti, and now in Jamaica, are contributing toward a projected Haitian revolution, on the promise that if the revolution succeeds they will be allowed to return.	575
25	Mr. Bryan to Mr. Bergholz.	Mar. 8	Same subject. Incloses the foregoing and instructs the American Vice Consul at Jamaica to investigate.	576
373	Mr. Wilson to Mr. Furniss..	Mar. 17	Same subject. Refers to Mr. Furniss's No. 1188 and incloses letter from Mr. McManus of Swift & Co., regarding attitude of Haitian Government toward Syrians; instructs to report.	576
1199	Mr. Furniss to Mr. Bryan..	Mar. 25	Same subject. The minister reports continuance of his difficulties in protecting American citizens of Syrian origin and his action in a number of cases. Suggests vigorous representations to the Haitian Government.	577
1208	Same to same.....	Apr. 10	Same subject. Replies to Department's No. 373 of Mar. 17; reports an interview with President Auguste whose attitude is unsatisfactory.	579
	Same to same (telegram)...	May 3	Death of President Auguste. Announces the President's death.	573
	Mr. Moore to Mr. Furniss (telegram).	...do....	Same subject. Quotes telegram of condolence from the President to the Secretaries of State in Council assembled.	573
	President Oreste to President Wilson (telegram).	May 5	Same subject. Thanks him for his message.....	573
	Mr. Furniss to Mr. Bryan (telegram).	...do....	Election of Michel Oreste as President of Haiti. Announcement.	574
	Same to same (telegram)...	...do....	Same subject. Asks whether he is to recognize the new Government.	574
	Aide mémoire to Haitien Legation.	...do....	Abrogation of the right of Syrians to trade in Haiti. This Government hopes that the Government of Haiti will take the measures necessary to insure to the American citizens exempted from the operation of the exclusion act the protection which this Government now asks for them.	580
380	Mr. Bryan to Mr. Furniss..	May 10	Same subject. Acknowledges his No. 1199 of Mar. 25, his action is approved. Incloses a copy of the aide mémoire of May 5 to the Haitian Legation.	580
	Mr. Furniss to Mr. Bryan (telegram).	May 12	Inauguration of President Oreste. Asks whether he shall attend a Te Deum Mass in honor of President Oreste.	574

HAITI—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Bryan to Mr. Furniss (telegram).	May 12	Same subject. Authorizes him to attend all functions in connection therewith.	574
1237	Mr. Furniss to Mr. Bryan..	May 29	Abrogation of the right of Syrians to trade in Haiti. Refers to his No. 1208 of Apr. 10; reports a conversation with President Oreste, whose attitude is opposed to that of the previous administration and friendly to the Syrians, but he could not permit the return of those expelled by President Auguste; reports a conference with the foreign minister, who asserted that the Syrians would not be molested.	581
	Mr. Ménos to Mr. Bryan...	June 3	Election of President Oreste. Incloses autograph letter to the President from President Oreste announcing his election.	574
18	Mr. Bryan to Mr. Ménos...	June 6	Same subject. The autograph letter from President Oreste has been forwarded to the President.	575
384	Mr. Bryan to Mr. Furniss..	June 18	Same subject. Incloses a letter from the President acknowledging the letter from President Oreste announcing his election.	575
	Mr. Moore to Mr. Furniss (telegram).	July 23	Abrogation of the right of Syrians to trade in Haiti. Instructs to ascertain whether persons of Syrian origin desiring to go to Haiti will be permitted to enter when not objects of the enforcement of the law of 1903.	582
	Mr. Furniss to Mr. Bryan (telegram).	July 25	Same subject. Replies to department's July 23, that under the Act of 1903 no persons of Syrian origin can come to Haiti and remain permanently, but may come for a few months on business.	582
1263	Same to same.....	...do....	Same subject. Refers to department's telegram of July 23 and his own telegram of July 25; reports that in an interview the President of Haiti consented to entry of American citizens of Syrian origin representing American commercial houses, provided they remain only a few months and are vouched for by this Government.	582
387	Mr. Bryan to Mr. Furniss..	July 31	Same subject. Acknowledges his telegram of July 25. Instructs him in regard to certification of Syrians.	583
1266	Mr. Furniss to Mr. Bryan..	Aug. 12	Same subject. Acknowledges department's No. 387 of July 31. The President of Haiti is in full accord therewith.	584
156	Mr. Bergholz to Mr. Bryan.	Sept. 12	Same subject. Refers to department's No. 159 inclosing Mr. Furniss's No. 1263 of July 25. There is no truth in the report of Syrians in Jamaica joining in the alleged revolutionary attempt against the Haitian Government.	584
1280	Mr. Furniss to Mr. Bryan..	Sept. 16	Same subject. Incloses correspondence concerning Daniel John, who has been allowed an additional month in which to wind up his affairs.	585
	Mr. Bryan to Mr. Smith...	Sept. 25	Same subject. Refers to Mr. Furniss's No. 1263 of July 25 and incloses Mr. Bergholz's Sept. 12.	586
2	Same to same.....	Sept. 29	Same subject. Incloses a letter from Mr. Siegel concerning Daniel John, with instruction to secure for him additional time if requisite.	586
5	Same to same.....	Oct. 25	Same subject. Incloses a letter from Mr. Siegel in regard to Daniel John; refers him to department's general instruction of Jan. 20, 1912, to Mr. Furniss.	586
13	Mr. Smith to Mr. Bryan..	Nov. 10	Same subject. Refers to Department's No. 5 of Oct. 25. Reports fully as to Daniel John.	587
	Mr. Bryan to Mr. Smith (telegram)	Nov. 19	Same subject. Instruction to use his good offices in behalf of Daniel John, threatened with ruin by expulsion, in order to secure an extension of time.	588
	Mr. Smith to Mr. Bryan (telegram).	Nov. 24	Same subject. The claim argument has already been used; requests further instruction.	588
	Mr. Moore to Mr. Smith (telegram).	Nov. 26	Same subject. Instruction to use his best efforts to secure another extension for John.	588
	Mr. Smith to Mr. Bryan (telegram).	Dec. 5	Same subject. No further extension will be granted to John.	589

HONDURAS.

		1912.		
	Mr. Meyer to Mr. Knox....	Jan. 29	Recovery by Honduras of the National Railroad of Honduras and the wharf at Puerto Cortés from the lessee, an American citizen. Transmits copy of a cablegram from the commander of the Petrel. Reports probable intention of the Honduran Government to take charge of the railroad now leased to an American company, and states that the Petrel has been ordered to remain at Puerto Cortés at its commander's discretion.	594

HONDURAS—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1912.		
	Mr. Knox to Mr. White (telegram).	Feb. 5	Same subject. It is represented to the department that an American citizen, Mr. W. S. Valentine, fears that the Government of Honduras will dispossess him of railway and wharf properties at Puerto Cortés without adjustment of his claim. Instructs the minister that this Government, without at present discussing the legal aspects of the claim, is convinced that the claim possesses equities that should be met, and that any action taken in violation of such equities could not be regarded by this Government as an indication of a friendly attitude. The minister is instructed to address the Honduran Government in the sense of the foregoing.	595
	Commander Dismukes to Mr. Meyer.	Feb. 6	Same subject. The American consul informs him that the Honduran authorities will seize the railroad; the superintendent of the railroad will resist the seizure pending orders from his company. The consul requests the commander to protect the lives and property of American citizens and he will if necessary use force to prevent the seizure pending instructions, which he requests.	595
	Same to same (telegram)...	Feb. 7	Same subject. A Honduran officer having arrived to seize the railroad, the commander informed him that he would not permit the seizure. States that he will enforce this decision in the absence of instructions.	595
	Mr. White to Mr. Knox (telegram).	...do....	Same subject. Reports landing of American forces at Puerto Cortés: all were reembarked but one, who is stationed in the railroad superintendent's office. The foreign office was advised and protested.	596
94	Same to same.....	Feb. 8	Same subject. Refers to department's Feb. 5 and incloses a note from the foreign office replying to the note of the legation embodying the department's instruction referred to.	596
	Same to same (telegram)...	Feb. 9	Same subject. Reports the purport of a letter from Commander Dismukes to a letter from the foreign office demanding withdrawal of his forces. The commander stated that he landed the forces on his own responsibility and gave his reasons. The minister for foreign affairs has asked the minister to intervene and the American consul at Puerto Cortés has been advised that the commander's action seems to be unwarranted. The minister recommends that the commander be directed to withdraw his forces.	598
	Mr. Knox to Mr. White (telegram).	Feb. 10	Same subject. Informs him that the commander has been instructed not to use force in resisting seizure, but, if seizure is made, to give notice that this Government reserves all rights to exact full and prompt settlement of resultant claims; that this instruction has been complied with. Instructs the minister to express the department's regret that the Honduran officer acted with such haste as to compel the commander to act before receiving instructions, and to state that the department's attitude remains as expressed on Feb. 5.	598
95	Mr. White to Mr. Knox....	Feb. 15	Same subject. Refers to his own Feb. 7 and Feb. 9 and to department's Feb. 10. Incloses three notes from the foreign office dated Feb. 7 and Feb. 8. Reports compliance with instruction of Feb. 10. The minister for foreign affairs expressed diasppointment at the nature of the legation's note.	599
56	Mr. Wilson to Mr. White....	Mar. 6	Same subject. Acknowledges his No. 94 of Feb. 8 and instructs him to say that this Government confidently awaits the result of the judicial inventory and liquidation of accounts therein referred to, and to demur to the contention of the foreign office in regard to the status of Mr. Valentine's contract; this Government must be understood as having made full reservations.	601
117	Mr. White to Mr. Knox....	Apr. 18	Same subject. Acknowledges department's instruction No. 56 of Mar. 6, and incloses his note of Apr. 12 to the foreign office in pursuance of that instruction.	602

HONDURAS—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1912.		
	Mr. Knox to Mr. White (telegram).	May 25	Same subject. Mr. Valentine has been limited to twenty days to decide whether to agree to sale of the wharf, after which he will not be permitted to collect wharfage. Instructs the minister to call attention to the decree of Aug. 20, 1907, which extended the concession for twelve years in accordance with article 9 of the contract of Mar. 2, 1896; and to urge the Government not to interfere with concessionaires.	602
139	Mr. Belden to Mr. Knox...	June 3	Same subject. Refers to Department's instruction of May 25; incloses his memorandum to the Foreign Office in pursuance thereof, and a memorandum from the Foreign Office in answer thereto.	603
	Mr. Wilson to Messrs. Stetson, Jennings and Bryan.	June 25	Same subject. In reply to the attorneys for Mr. Valentine, who have suggested submission of their client's claim to arbitration, the Department states that as this would be a private arbitration it would would not be one in which the Department would have official concern other than its general interest in the rights of Americans abroad, but would be willing to use its informal good offices to secure acceptance of the suggestion by Honduras, although presumably the Department would first have to be assured that local remedies had been exhausted.	606
	Mr. Belden to Mr. Knox (telegram).	Aug. 31	Same subject. As no agreement with Mr Valentine has been reached, the Government has begun building a new wharf.	607
		1913.		
	Mr. White to Mr. Knox. ...	Jan. 8	Message of the President of Honduras to Congress. Text.	590
	Mr. White to Mr. Bryan (telegram).	Mar. 21	Death of President Bonilla. Announcement.....	591
	Mr. Membreño to Mr. Bryan	Mar. 22	Same subject and purport	592
	President Wilson to President Bertrand (telegram).	...do....	Same subject. Condolence.....	592
6	Mr. Adee to Mr. Membreño.	Mar. 24	Same subject. Acknowledges his note of the 22d inst.	592
	President Bertrand to President Wilson (telegram).	...do....	Same subject. Thanks for condolence.....	592
	Mr. Membreño to Mr Bryan	Apr. 19	Same subject Transmits a telegram from President Bertrand thanking United States officials for attending memorial services.	593
	Mr. Moore to Mr. Membreño	Apr. 30	Same subject. Acknowledges his note of the 19th inst.	593
	Mr. Membreño to Mr. Bryan.	May 6	Assumption of the Presidency by Vice President Bertrand Incloses autograph letter of announcement.	593
141	Mr. Bryan to Mr White....	June 16	Same subject. Incloses a letter from the President acknowledging the letter of President Bertrand announcing.	594

ITALY.

	.....	1911. Apr. 13	Payment by the United States to Italy of an indemnity for the lynching of Angelo Albano, an Italian subject. Memorandum by the Solicitor of the Department of State, summarizing the history of the case from its occurrence Sept. 20, 1910, to date.	613
		1912.		
1024	Marquis Cusani to Mr. Knox.	June 24	Same subject. Recapitulates the case and insists on an adequate indemnity.	615
1704	Mr. Catalani to Mr. Knox..	Oct. 30	Sovereignty of Italy over Libya; attitude of the United States in regard to recognition thereof; relinquishment of extraterritorial rights. Announces cessation of the special régime formerly enjoyed by foreigners under the Capitulations of the Ottoman Empire and the consequent application from Nov. 1, 1912, of the general law with certain reservations.	608
247	Mr O'Brien to Mr Knox..	Oct. 30	Same subject. Reports a conversation with the Minister for Foreign Affairs on the recognition by the United States and other countries of Italian sovereignty over Libya.	608
2202	Mr. Catalani to Mr. Knox..	Dec. 31	Payment by the United States to Italy of an indemnity for the lynching of Angelo Albano, an Italian subject. Requests a reply to the note of June 24.	616

ITALY—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
380	Mr. Knox to Mr. Catalani..	Feb. 28	Sovereignty of Italy over Libya; attitude of the United States in regard to recognition thereof; relinquishment of extraterritorial rights. Acknowledges his Oct. 30, 1912, and informs him of the issuance of appropriate instructions to conform to the present legal situation in Libya, and of the subordination of the consulate at Tripoli to the consulate general at Genoa.	609
130	Mr. Knox to Mr. O'Brien..	Mar. 1	Same subject. Refers to Department's No. 111 of Dec. 5, 1912, and incloses copy of the notes from and to the Italian Embassy of Oct. 30, 1912, and Feb. 28, 1913, respectively, with instruction to be guided by the latter.	610
231	Mr. Knox to Mr. Rockhill..	...do....	Same subject. Incloses the foregoing instruction to Mr. O'Brien and instructs him to bring it to the attention of the Consul General at Constantinople.	610
381	Mr. Knox to Marquis Cusani.	...do....	Payment by the United States to Italy of an indemnity for the lynching of Angelo Albano, an Italian subject. Acknowledges his Dec. 31, 1912, and June 24, 1912, and regrets that under all the circumstances this Government would not be clearly warranted in taking the course desired by Italy.	617
152	Mr. Bryan to Mr. Smith...	Mar. 10	Sovereignty of Italy over Libya; attitude of the United States in regard to recognition thereof; relinquishment of extraterritorial rights. Incloses copy of instruction to the American Ambassador of Mar. 1, 1913, and directs him to conform to the legal situation now existing in Libya.	611
481	Marquis Cusani to Mr. Bryan.	Apr. 16	Payment by the United States to Italy of an indemnity for the lynching of Angelo Albano, an Italian subject. Renews his demand for an indemnity.	618
825	Same to same.....	June 10	Same subject. Refers to a verbal statement of the amount of indemnity demanded—$6,000—at the time of handing the Secretary the note of Apr. 16; renews the demand therefor.	618
	.....	June 26	Same subject. Message from the President to Congress transmitting a report by the Secretary of State recommending payment of the indemnity demanded, as an act of grace and without reference to the question of liability of the United States, and inclosing documentary proof of the Italian citizenship of Albano.	619
	.....	July 3	Treaty between the United States and Italy amending Article 3 of the Treaty of Commerce and Navigation of February 26, 1871. Text and proclamation.	611
	.....	Aug. 15	Payment by the United States to Italy of an indemnity for the killing of Angelo Albano, an Italian subject. Report of the House Committee on Foreign Relations recommending the passage of House Bill 7384, authorizing payment of $6,000 indemnity; text of the bill.	622
	Mr. Bryan to Marquis Cusani.	Nov. 14	Same subject. Incloses Treasury warrant for $6,000 in payment of the indemnity, in accordance with the Act of Congress authorizing the payment, approved Nov. 14, 1913.	623
	Marquis Cusani to Mr. McNeir.	...do....	Same subject. Receipt for warrant.....	624
1552	Marquis Cusani to Mr. Bryan.	Nov. 18	Same subject. Expression of thanks for his note and inclosure of Nov. 14; incloses letter showing payment in full of the indemnity to the mother of Albano.	624

JAPAN.

		1911.		
	.....	Apr. 5	Protest of Japan against the land laws of the State of California. Text of Articles I and XIV of the Treaty of Commerce and Navigation between the United States and Japan, proclaimed Apr. 5, 1911.	625
	Mr. Uchida to Mr. Knox...	Feb. 21	Same subject. Exchange of notes pertaining to the above-cited treaty.	626
	Mr. Knox to Mr. Uchida...	...do....	Same subject and tenor.....	626
	Mr. Uchida to Mr. Knox...	...do....	Same subject and tenor.....	626
	Mr. Knox to Mr. Uchida...	...do....	Same subject and tenor.....	627

JAPAN—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Viscount Chinda to Mr. Bryan.	May 9	Same subject. Lodges his Government's urgent and explicit protest against the measure recently passed by the California Legislature on the subject of alien land tenure, as not only inequitable and discriminatory but also inconsistent with the existing treaty. Reasons given.	629
	.....	May 19	Same subject. Text of Chapter 113 of the Statutes of California.	627
	Mr. Bryan to Viscount Chinda.	...do....	Same subject. Reply to the note of May 9. States that this Government is constitutionally unable officially to modify the laws of a State of the Union; that the President and the Secretary feel that the California statute has been misinterpreted by the Japanese Government; that the stipulations of treaties are binding upon State and Federal courts alike; that the California statute seems not to affect the rights of commerce and navigation, to which the treaty relates; and that the expiration of explicit treaties would not impair the friendly relations between the countries.	631
	Viscount Chinda to Mr. Bryan.	June 4	Same subject. The Department's note of May 19 does not lessen the disappointment and grave concern of the Japanese Government; gives the reasons therefor; draws attention to the matter of Japanese naturalization in the United States in relation to the matter in dispute, and declares that racial distinction does not afford a valid basis for discrimination on the subject of land tenure.	632
	Japanese Foreign Office to Japanese Embassy (telegram).	June 30	Same subject. Telegram left at the Department of State.	640
	Viscount Chinda to Mr. Bryan.	July 3	Same subject. Aide mémoire in explanation and support of his notes of May 9 and June 4.	635
	Mr. Bryan to Viscount Chinda.	July 16	Same subject. Reply to his June 4; states in conclusion that in the courts of the United States will be found full protection for all legal rights of Japanese in this country; thus Government will use its good offices to secure prompt and efficacious determination therein of suits brought to obtain such protection.	641
	Same to same.....	July 16	Same subject. Aide mémoire in response to the Embassy's aide mé noire of July 3 and accompanying telegram of June 30.	645
	Viscount Chinda to Mr. Bryan.	Aug. 26	Same subject. Transmits telegraphic instructions received by the Embassy Aug. 23 from the Japanese Minister for Foreign Affairs, discussing the Department's two communications of July 16.	651

LIBERIA.

		1911.		
	Mr. Knox to Mr. Johnson..	June 27	Donovan Trust Fund. Incloses communication from the American Colonization Society asking that an officer of the Department of State be directed to audit the account of this fund. Asks for further information.	686
	Mr. Lyon to Mr. Knox.....	Sept. 27	Same subject. Incloses communications from the Liberian Government authorizing him to act as agent for that Government in the settlement of the fund.	687
	Mr. Adee to Mr. Johnson...	Oct. 7	Same subject. Reviews correspondence on this subject and incloses copy of letter from Mr. Lyon, dated Sept. 27, 1911.	688
	President Barclay to Mr. Knox (telegram).	Oct. 22	Same subject. Liberian Consul General is authorized to receive the Donovan Fund.	689
		1912.		
	Mr. Lyon to Mr. Knox.....	Aug. 12	Same subject. Incloses certain documents necessary in the settlement of the fund.	689
	Mr. Adee to Mr. Johnson...	Aug. 20	Same subject. Forwards above documents.....	690
53	Mr. Bundy to Mr. Knox...	Oct. 12	Good offices of the United States in composing difficulties with the German Government. Reports occurrences and reestablishment of order.	655
	Mr. Adee to Mr. Bundy (telegram).	Nov. 6	Same subject. Asks for immediate report on the disturbances in Monrovia.	658
	Mr. Bundy to Mr. Knox (telegram).	Nov. 7	Same subject. Reply to Department's Nov. 6. Reports on and measures taken by the Government to suppress disturbances.	658
62	Same to same.....	Nov. 11	Same subject. Full report on disturbances.....	659

LIBERIA—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1912.		
	Mr. Bundy to Mr. Knox (telegram).	Nov. 12	Same subject. Reports that the commander of a German gunboat has demanded that the Liberian Government take immediate action to safeguard Germans on the Bassa coast, threatening intervention otherwise.	662
37	Mr. Knox to Mr. Bundy...	Nov. 13	Same subject. Approves his attitude as reported in his No. 53 of Oct. 12.	662
	Same to same (telegram)..	Dec. 19	Claims of German merchants against Liberia. The German Government is entitled to ask indemnity for losses on account of uprisings of natives.	665
	Mr. Bundy to Mr. Knox (telegram).	Dec. 23	Same subject. Reports that he has taken up the subject of Department's Dec. 19.	666
	Same to same (telegram)...	Dec. 26	Good offices of the United States in composing difficulties with the German Government. Situation is becoming acute. German commander demands summary punishment of a Liberian officer who is accused of having assaulted a German officer.	662
	Mr. Knox to Mr. Bundy (telegram).	Dec. 30	Same subject. German Government has been requested to refrain from issuing ultimatum until investigation of the alleged assault on a German officer is investigated.	663
		1913.		
	Mr. Bundy to Mr. Knox (telegram).	Jan. 5	Same subject. German Government demands immediate dismissal of the accusad Liberian officer. Requests instruction.	663
	Mr. Knox to Mr. Bundy (telegram).	Jan. 7	Same subject. If the incident can be closed by the dismissal of the Liberian officer, advises that that course be taken.	663
	Mr. Bundy to Mr. Knox (telegram).	Jan. 8	Same subject. German Government demands not only dismissal of the accused officer but apology and a guaranty that the dismissed officer be not again employed in any official capacity. Liberian Government requests good offices of the United States Government.	664
	Mr. Knox to Mr. Leishman (telegram).	Jan. 10	Same subject. Instructs him to use good offices to obtain modification of Germany's demands on Liberia. Compliance with all the demands would violate the Constitution of Liberia.	664
76	Mr. Bundy to Mr. Knox...	Jan. 13	Claims of German merchants. The American Chargé d' Affaires has proposed an international commission to investigate the claims and fix indemnity. Gives reasons for this course. Incloses correspondence between German consul and Liberian Government.	666
	Mr. Knox to Mr. Bundy (telegram).	Jan. 14	Good offices of the United States in composing difficulties with the German Government. The German Government accepts compromise and considers incident closed.	665
	Mr. Bundy to Mr Knox (telegram).	Jan. 17	Claims of German merchants. Asks whether he shall support a commission of three or five commissioners.	670
	Mr. Knox to Mr. Bundy (telegram).	Jan., 18	Same subject. Department favors commission of three.	670
	Mr. Bundy to Mr. Knox (telegram).	Feb. 6	Same subject. German Government demands that indemnity be paid within one year. Liberian Government requests good offices of American Government to obtain easier terms.	670
	Mr. Knox to Mr. Leishman (telegram).	Feb. 8	Same subject. Instructs him to urge the German Government to accept the terms offered by the Liberian Government.	671
	Mr. Leishman to Mr. Knox (telegram).	Feb. 10	Same subject. The German Government insists upon prompt settlement of the claims. There is no prejudice against the appointment of an American on the claims commission.	671
	Mr. Knox to Mr. Leishman (telegram).	Feb. 12	Same subject. Again urges the acceptance of the Liberian terms of settlement.	672
84	Mr. Bundy to Mr. Knox...	Feb. 14	Same subject. Incloses copy of the terms of settlement proposed by the Liberian Government; German contentions and intentions discussed.	672
	Mr. Knox to Mr. Bundy (telegram).	Feb. 19	Same subject. The German Government feels that the Liberian Government is intriguing to delay the negotiations for the settlement of the claims. Asks what maximum per cent of receipts can be set aside for the settlement.	677
	Same to same (telegram)...	Feb. 25	Same subject. Advises him that if the question of the third commissioner is promptly settled the German Government may accept a counter proposal from Liberian Government for settlement of the claims. Urges that the Liberian Government come to a prompt and amicable agreement as to third commissioner.	677

LIBERIA—Continued.

No	From and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Bundy to Mr. Knox (telegram).	Feb. 28	Same subject. Gives reasons of the General Receiver of Customs for objecting to the German proposal of settlement.	678
49	Mr. Adee to Mr. Bundy....	Mar. 26	Same subject. The Department approves his attitude as shown in his No. 84.	679
98	Mr. Bundy to Mr. Bryan...	Mar. 31	Same subject. The claims commission has been completed and is examining the claims presented. Gives names of commissioners.	679
106	Same to same.....	Apr. 30	Same subject. Transmits a transcript of the minutes of the claims commission containing list of awards.	680
110	Same to same.....	May 15	Uprisings of natives on Sierra Leone frontier. Reports on measures taken by Liberian Government to suppress uprisings; describes dangers of the situation.	681
117	Same to same.....	June 6	Claims of German merchants. The merchants who presented their claims to the commission for adjudication are disappointed at the failure to obtain large awards. They may refuse to accept the awards.	689
121	Same to same.....	July 7	Uprisings of natives on Sierra Leone frontier. Reports further on uprisings.	682
134	Same to same.....	Sept. 27	Same subject. Reports further disorders among the native tribes.	684
	Mr. Johnson to Mr. Bryan..	Oct. 7	Donovan Trust Fund. The fund was properly settled by the payment of $65,511.11 to the Liberian Consul General.	690
62	Mr. Bryan to Mr. Bundy..	Nov. 18	Uprisings of natives on the Sierra Leone frontier. Department hopes that the Liberian Government will make every earnest effort to restore order among the native tribes.	686
	.....	Dec. 17	Message of the President to the Legislature. Extracts.	654

MEXICO.

		1911.		
	Mr. Adams to Mr. Knox...	Sept. 12	Colorado River protective works. States that work is to be resumed and asks that renewal of permit be obtained from the Mexican Government.	977
551	Mr. H. Wilson to Mr. H. L. Wilson.	Sept. 19	Same subject. Instructs to request that the Mexican Government issue appropriate orders to its officials so that the work may be resumed.	979
427	Mexican Embassy to Department of State.	Oct. 3	Chamizal controversy. Requests this Government to prevent the Pearson firm from establishing industrial plants in the Chamizal zone, in order to maintain the status quo.	957
1004	Mr. Wilson to Mr. Knox....	Oct. 9	Colorado River. Incloses copy of a note from the Mexican Foreign Office stating that application for a permit to resume work should be made by the Colorado River Land Co. to the Department of Fomento.	979
510	Mr. Crespo to Mr. Knox....	Oct. 12	Chamizal controversy. Acknowledges Department's Oct. 6, 1911.	957
	Department of State to Mexican Embassy.	Oct. 18	Same subject. Replies to the Embassy's Oct. 3 and asks in what respect the occupancy of a lot in the Chamizal zone by the Pearson firm is held to violate the status quo; draws attention to certain previous correspondence and to article 8 of the arbitration convention.	957
	Mr. Thompson to Mr. Fisher (telegram).	Nov. 24	Colorado River. Reports that the Minister of Fomento has issued orders to permit resumption of the work.	980
671	Mr. H. Wilson to Mr. H. L. Wilson.	Dec. 11	Chamizal controversy. Incloses the Mexican Embassy's Oct. 12 and Department's Oct. 18; instructs him to make such oral and informal representations as may appear appropriate.	958
	Mr. Keblinger to Mr. Knox (telegram).	Dec. 14	Same subject. Explains the legal circumstances making proper the Pearson firm's occupancy of land in the Chamizal zone.	958
	Mr. Crespo to Mr. Knox (telegram).	Dec. 15	Same subject. Requests the Department's good offices to prevent the eviction of certain occupants of the Chamizal zone in violation of the status quo.	959
	Department of State to Mexican Embassy.	Dec. 16	Same subject. Emphasizes the importance of expediting the arrival at an understanding between the two Governments regarding the Chamizal case.	959
777	Mr. Crespo to Mr. Knox....	...do....	Same subject. Urges the necessity of restoring to possession the Mexicans evicted from the Chamizal zone in violation of the status quo.	960

MEXICO—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1911.		
	Mr Keblinger to Mr. Knox (telegram).	Dec. 18	Same subject. Refers to his own telegram of Dec. 14; declares there were no forcible evictions and no violation of the status quo.	961
	Mr. Knox to Mr. Keblinger (telegram).	Dec. 20	Same subject. Instruction to communicate to the Mexican Commissioner, Puga, his Dec. 14 and 18.	961
90	Mr. Knox to Mr. Crespo....	Dec. 22	Same subject. Refers to his Oct. 3 and Dec. 15, and Department's Oct. 18; explains at length the relation to the status quo of the alleged evictions and the occupancy by the Pearson firm. The acts complained of violate no phase of the status quo.	961
		1912.		
	Mr. Knox to Mr. Wilson (telegram).	Jan. 26	Colorado River. Instructs to make representations to the Mexican Government to the end that a bill may be introduced into Congress relieving the Colorado River Land Co. of import duties for material, food, clothing, etc., used in connection with the levee works.	981
	Mr. Wilson to Mr. Knox (telegram).	Jan. 30	Same subject. The Secretary of Fomento has given assurances that a bill for the remission of duties on material used on the levee works will be introduced into Congress when it reassembles.	981
959	Mr. Crespo to Mr. Knox....	Jan. 30	Chamizal controversy. Acknowledges that the department's No. 90 of Dec. 22 explains satisfactorily the matters complanied of in the Embassy's Oct. 3 and Dec. 15.	963
	Mr. Knox to Mr. Keblinger.	Feb. 7	Same subject. Incloses the Mexican Embassy's Jan. 30.	964
	Mr. Fisher to Mr. Knox....	Feb. 10	Colorado River. Suggests that negotiations be opened with the Government of Mexico for the creation of an international commission to investigate and report as to the proper method of utilizing the waters of the lower Colorado River.	981
	Mr. Wilson to Mr. Fisher...	Feb. 19	Same subject. Discusses Mr. Fisher's letter of the 10th inst., and requests further information.	983
1122	Mr. Crespo to Mr. Knox....	Mar. 9	Chamizal controversy. Refers to the Department's Dec. 16, 1911, and gives his Government's reasons for considering the Chamizal case to have been finally decided by the arbitral tribunal; it will however, listen to any proposal of the United States provided that neither the validity of the arbitral award nor the possibility of determining scientifically the site of the river bed in 1864.	964
1309	Mr. Wilson to Mr. Knox...	Mar. 12	Same subject. Refers to Department's No. 671 of Dec. 11, 1911. The President of Mexico understands that the conclusions of the International Boundary Commission were partially unsatisfactory to both countries, but that if they should be reconsidered other boundary questions should be included in the discussion.	965
	Mr. Fisher to Mr. Knox....	Mar. 18	Colorado River. Gives further details in regard to the proposed Colorado River Commission.	984
775	Mr. H. Wilson to Mr. H. L. Wilson.	Mar. 21	Same subject. Incloses copies of correspondence with the Secretary of the Interior concerning negotiations for the creation of an international commission to consider the equitable distribution of the waters of the Colorado River and instructs to take up the matter with the Government of Mexico.	985
	Same to same (telegram)...	Mar. 26	Chamizal controversy. Refers to his No. 1309 of Mar. 12; instructs to express to the President of Mexico the Department's gratification at the disposition of Mexico to reach a practical solution of the Chamizal question, and to state the Department's understanding of the Mexican attitude and its hope for an early resumption of negotiations at Washington.	965
	Mr. Wilson to Mr. Crespo..	Mar. 30	Same subject. Refers to the Embassy's Mar. 9, which the Department understands to mean that the two Governments will seek a solution upon a basis of mutual advantage, without prejudice to the position of either government in respect to the two matters mentioned by the Embassy. Urges prompt resumption of negotiations.	966
783	Mr. H. Wilson to Mr. H. L. Wilson.	...do....	Same subject. Refers to his No. 1309 of Mar. 12, and Department's Mar. 26; incloses copy of the Mexican Ambassador's note of Mar. 9.	966
	Mr. Wilson to Mr. Knox (telegram).	Apr. 1	Same subject. Refers to Department's Mar. 26, and reports that Mr. Calero will go to Washington with full instructions and immediately take up the Chamizal discussion.	967

MEXICO—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1912.		
1379	Mr. Wilson to Mr. Knox...	Apr. 27	Colorado River. Transmits copy of a note from the Foreign Office, which suggests that the International Water Boundary Commission be enlarged for the purpose of making the investigation concerning the distribution of the waters of the Colorado River.	985
1475	Mr. De la Cueva to Mr. Wilson.	May 9	Chamizal controversy. Informs the Department that Mr. Calero, the new ambassador, holds the instructions and powers enabling him to take charge of the negotiations relative to final settlement of the Chamizal case.	967
	Mr. Knox to Mr. Wilson (telegram).	May 22	Colorado River. Department is informed that new concession has been requested of the Mexican Government concerning the Imperial canal system located in Mexico; urges necessity that this matter remain in statu quo until the whole question is settled.	986
	Mr. Wilson to Mr. Knox (telegram).	May 23	Same subject. The Minister for Foreign Affairs approves letting Colorado River question remain in statu quo.	987
	Same to same (telegram)...	June 5	Same subject. The Minister of Fomento states that no requests for new concessions relating to the Imperial canal system have been received.	987
	Mr. Knox to Mr. Calero....	June 6	Chamizal controversy. Refers to Mr. De la Cueva's note of May 9, of which due note has been taken.	967
	.....	June 14	Colorado River. Message of the President concerning further appropriations and works on the Colorado River.	987
884	Mr. H. Wilson to Mr. H. L. Wilson.	July 1	Chamizal controversy. Incloses copy of tentative bases for a convention for settlement of the Chamizal case and other related questions; the original was handed to the Second Secretary of the Mexican Embassy on June 28.	968
974	Same to same.....	Sept. 10	Colorado River. Incloses draft of a convention providing for the creation of a commission to study the bases of distribution of the waters of the Colorado River.	991
1690	Mr. Wilson to Mr. Knox...	Sept. 26	Same subject. Department's No. 974 has been communicated to the Mexican Government and that Government will give the subject early attention.	991
1780	Mr. Schuyler to Mr. Knox..	Nov. 20	Same subject. Incloses copy of note from the Foreign Office transmitting the counter draft of the Government of Mexico of the convention for the creation of a Colorado River Commission.	991
	Mr. Knox to the American consular officers in Mex.	Nov. 25	Protection of American life and property in Mexico. Instruction to submit a comprehensive report of all cases of violation of the rights of Americans in Mexico from October, 1910, including murders, hardships, annoyances, and loss of property, and a general statement of the living conditions imposed on and the nature of Mexican measures for the protection of Americans. To this are appended minutes directions covering these points.	885
1834	Mr. Schuyler to Mr. Knox..	Dec. 30	Revolutionary claims. Incloses note from Mexican Foreign Office to the British Minister distinguishing between the merits of claims arising out of the revolution of 1910 and subsequent ones.	923
		1913.		
	Mr. Knox to Mr. Wilson (telegram).	Jan. 7	Same subject. Refers to the Embassy's Dec. 28, 1912. The Department objects to presenting claims en masse at the present time preferring individual treatment of claims cases pending a general settlement at some future time. Comments on the attitude of the Mexican Minister for Foreign Relations.	924
	Mr. Wilson to Mr. Knox (telegram).	...do....	Political affairs. Reports a critical situation.....	692
1845	Same to same (telegram)...	Jan. 8	Revolutionary claims. Observations on the claims policy of the Department, in which the Ambassador believes he finds inconsistencies.	924
	Same to same (telegram)...	Jan. 9	Same subject. Refers to Department's Jan. 7. Repeats his adherences to the policy of treating claims en masse instead of individually. Replies to Department's comments on the Minister for Foreign Affairs.	925
1166	Mr. Knox to Mr. Wilson	...do....	Same subject. Supplements instruction of Jan. 7. Incloses memoranda of two interviews with Mr. Lascurain, Mexican Minister for Foreign Affairs, at Washington, containing statements of policy as presented to him, with his comments.	926

MEXICO—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
1168	Mr. Knox to Mr. Wilson...	Jan. 10	Revolutionary claims. Refers to Mr. Schuyler's No. 1834 of Dec. 30, 1912. Instruction to learn the meaning of the British Minister's distinction between the revolution of 1910 and the present disturbances in relation to claims; and to report his own understanding of this point.	932
	Mr. Wilson to Mr. Knox... (telegram).	Jan. 11	Political affairs. Francisco Villa, former Federal leader, is at El Paso.	693
	Mr. Canada to Mr. Knox (telegram).	Jan. 14	Same subject. Reports information that the Government plans sham uprising at Vera Cruz to afford opportunity to kill Felix Diaz et al. Asks instructions.	693
	Mr. Wilson to Mr. Knox (telegram).	...do....	Same subject. The dangerous situation at Acapulco indicates need for war vessels.	694
	Mr. Knox to Mr. Wilson (telegram).	...do....	Same subject. U. S. S. *Denver* will proceed at once to Acapulco. Instruction so to inform the Government.	694
1170	Mr. Knox to Mr. Wilson...	Jan. 14	Chamizal controversy. Refers to department's July 1, No. 884; states the substance of a conference between the Secretary of State and the Mexican minister for foreign affairs, Mr. Lascurain, regarding the bases for settlement of the Chamizal case, at which Mr. Lascurain promised that no further delays would be permitted.	969
	Same to same (telegram)...	Jan. 16	Political affairs. Refers to Mr. Canada's telegram of Jan. 14. Instructs to point out to the Government the evil effect of such rumors and to inform department as to advisability of a war vessel at Vera Cruz.	694
	Mr. Wilson to Mr. Knox (telegram).	Jan. 17	Same subject. Will act soon on the instruction of Jan. 16, and has instructed Mr. Canada to inform the department as to war vessel at Vera Cruz.	695
	Mr. Wilson to Mr. Knox...	Jan. 18	Protection of American life and property in Mexico. Submits a draft note to the Mexican Government in compliance with the instruction of Jan. 11, 1 p. m. Explains its relation to the note of Sept. 15, 1912.	886
1194	Mr. Knox to Mr. Wilson..	Jan. 25	Revolutionary claims. Refers to his No. 1845 of Jan. 8; explains at length the department's policy as to claims.	932
	The Mexican Embassy to the Department of State.	Jan. 27	Chamizal controversy. Memorandum of fundamental ideas out of which to evolve the bases for the settlement of the Chamizal question.	971
	Mr. Wilson to Mr. Knox (telegram).	Jan. 30	Same subject. States that he is informed by the Mexican Government that the Chamizal matter will be taken up through the Mexican Embassy and can be disregarded at Mexico City.	972
	Same to Same.....	...do....	Revolutionary claims. Reports interview with the minister for foreign affairs on claims; mentions the minister's statements about the Tlahualilo, Colorado River, Alamo, and Chamizal cases.	934
	Mr. Hilles to Mr. Knox....	...do....	Political affairs. Incloses telegram from the Governor of Texas to the President requesting that steps be taken to prevent firing into El Paso in case of battle at Juarez.	695
	Editor's note.....	.....	Tlahualilo case. Review of the controversy between this and the British Governments, cooperating, and Mexico, over the claims of the Tlahualilo Company against Mexico; the review covers the period from the organization of the company in 1885 to the end of 1912.	993
	Mr. Wilson to Mr. Knox (telegram).	Jan. 30	Same subject. Mexico will refuse arbitration, but expects to arrange an amicable settlement with the company.	1006
	Mr. Wilson to Mr. Colquitt (telegram).	Jan. 31	Political affairs. Replies to the inclosure in the foregoing. The War Department has been requested to renew to the general in command at El Paso instructions to notify both the contending Mexican forces at Juarez that there must be no firing that would result in passage of bullets across the boundary. The War Department has sent the instructions and the Mexican Government has also been notified.	695
	Mr. Wilson to Mr. Knox...	Feb. 4	Same subject. Description of the desperate conditions prevailing in Mexico.	696
	Same to same.....	...do....	Revolutionary claims. The Ambassador doubts the sincerity of the Mexican Government regarding the wrongs complained of in this Government's note of Sept. 15, 1912.	935

MEXICO—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
1888	Mr. Wilson to Mr. Knox...	Feb. 5	Same subject. Refers to department's No. 1168 of Jan. 10; incloses correspondence with the British minister regarding the distinction, in relation to claims, between the revolution of 1910, and subsequent disturbances.	936
1215	Mr. Knox to Mr. Wilson...	Feb. 8	Colorado River. Incloses amended draft convention, with full comment thereon.	992
	Mr. Wilson to Mr. Knox (telegram).	Feb. 9	Political affairs. The revolt against the Government has begun. Details. ment has begun. Details.	699
	Same to same (telegram)...	...do....	Same subject. Felix Díaz has asked the Ambassador to urge President Madero to resign. The Diplomatic Corps demand of Madero and of Díaz adequate protection for foreigners.	700
	Mr. Knox to Mr. Meyer....	Feb. 10	Same subject. Requests the Secretary of the Navy to dispatch a battleship to Vera Cruz and one to Tampico; to send some vessel to Mazatlan and retain at Acapulco the one now there.	700
	Mr. Knox to Mr. Wilson (telegram).	...do....	Same subject. Requests specific statement of his opinion as to the obligations of this Government at this juncture. Approves his course as reported Feb. 9.	701
	Mr. Wilson to Mr. Knox (telegram).	...do....	Same subject. General Huerta, whose loyalty is questioned, is in charge of the palace. The President and cabinet have fled, whereabouts unknown. Most local authorities have revolted to Díaz. The Ambassador and colleagues are organizing a foreign guard to protect foreign lives and property. Urges sending war vessels and making border defense.	701
	Same to same (telegram)...	...do....	Same subject. Replies to department's Feb. 10. War vessels should be sent to both coasts with marines; activity should be displayed on the boundary. Can not indicate what measures to take as to Mexico City, so far inland.	702
	Mr. Knox to Mr. Wilson (telegram).	...do....	Same subject. Quotes statement given to the press.	702
	Mr. Wilson to Mr. Knox (telegram).	Feb. 11	Same subject. Public opinion is with Díaz. Every precaution taken for safety of the American colony.	702
	Same to same (telegram)...	...do....	Same subject. The firing seems in violation of the rules of civilized warfare. The consulate general has become uninhabitable.	703
	Same to same (telegram)...	...do....	Same subject. Felix Díaz informally notifies the Ambassador that he will expect immediate recognition by the United States if successful in battle to-day.	703
	Mr. Knox to certain consular officers (telegram).	...do....	Same subject. Quotes statement given to the press.	703
	Mr. Knox to Mr. Canada (telegram).	...do....	Same subject. Quotes statement given to the press. Instruction to be prepared to maintain communication with Mexico City. The U. S. S. Virginia will arrive Vera Cruz about Feb. 15.	703
	Mr. Knox to Mr. Wilson...	...do....	Same subject. Information as to war vessels.	704
	Mr. Wilson to Mr. Knox (telegram).	...do....	Same subject. Requests firm, drastic instructions, even of a menacing character, in the belief that, thus armed, he might cause a cessation of hostilities.	704
	Mr. Knox to Mr. MacVeagh (telegram).	...do....	Same subject. Requests instruction to customs officials withhold shipments of arms or munitions of war to Mexico, whether already excepted by the President or not, until further notice.	704
	Mr. Colquitt to Mr. Taft (telegram).	Feb. 12	Same subject. The Governor of Texas urges immediate intervention.	705
	Mr. Knox to Mr. Colquitt (telegram).	...do....	Same subject. Reply to the foregoing.....	705
	Mr. Wilson to Mr. Knox (telegram).	...do....	Same subject. Describes his efforts to care for Americans and others seeking embassy's protection. Requests instructions.	705
	Mr. Knox to Mr. Wilson (telegram).	...do....	Same subject. Replies to the ambassador's Feb. 11, 6 p. m. To instruct the embassy as requested might precipitate intervention, which should not be considered except as a last resort, being at present dangerous to Americans in Mexico. Other observations.	706
	Mr. Wilson to Mr. Knox (telegram).	...do....	Same subject. Relates a call on the President at which he protested against the conditions of the fighting and a subsequent interview with Díaz to the same effect.	706
	Mr. Knox to Mr. Wilson (telegram).	...do....	Same subject. Reply to the Ambassador's Feb. 11, noon; authorizes drawing $10,000 for protection of Americans. Other instructions.	707

MEXICO—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Wilson to Mr. Knox (telegram).	Feb. 12	Protection of American life and property in Mexico. Requests instructions in view of the difficulty of caring for the large number of American refugees at the embassy.	893
	Mr. Knox to Mr. Wilson...	...do....	Same subject. Instruction in reply to the embassy's Feb. 12, regarding refugees.	893
	Mr. Wilson to Mr. Knox (telegram).	...do....	Protection of foreigners in Mexico by the United States. The Ambassador has protested against firing endangering the American colony, and instructed consuls to extend protection to German subjects.	896
	Mr. Knox to Mr. Wilson (telegram).	Feb. 13	Same subject. Instruction, in reply to his Feb. 12, to give protection to all foreigners and not confine it to those of one nationality. So instruct consuls.	897
	Mr. Wilson to Mr. Knox (telegram).	Feb. 14	Political affairs. Requests instructions as to what authority he may exercise over ships and marines.	708
	Same to same (telegram)...	...do....	Same subject. Relates an interview with Mr. Lascurain at which he suggested an armistice and convocation of the Senate.	708
	Same to same (telegram)...	...do....	Same subject. Diaz renews request for recognition of his belligerency by the United States.	708
	Mr. Knox to Mr. Wilson (telegram).	...do....	Same subject. Instruction in regard to course to pursue in case of firing dangerous to Americans, with suggestion for him and other Americans to withdraw out of range. Where danger to foreigners including diplomatic representatives is incidental to warfare and escape by withdrawal is possible, convenience and dignity can not always be interposed to affect the fighting.	708
	Mr. Wilson to Mr. Knox (telegram).	...do....	Same subject. Reports preparations for a consultation with his British, German, French, and Spanish colleagues.	709
	Same to same (telegram)...	Feb. 15	Same subject. He has declined the Government's offer of a residence at Tacubaya for the embassy; its removal would be a calamity to the entire American colony. Removal of Americans to a safer place impossible, as there is none.	709
	Mr. Knox to Mr. Wilson (telegram).	...do....	Same subject. The dispatch of vessels to Mexican waters is solely for observation purposes and indicates no change of policy. It is therefore inadvisable to instruct the embassy as it requests in its Feb. 14.	710
260	Mr. de la Cueva to Mr. Knox.	...do....	Same subject. Transcribes a telegram from his Government informing him that it denied the right of the diplomatic corps to interfere in Mexican affairs, and instructing him to urge prevention of landing of U. S. marines.	710
	Mr. Wilson to Mr. Knox (telegram).	...do....	Same subject. Representing the unanimous opinion of the British, German, Spanish, and American missions, the Spanish minister went to the Palace and requested President Madero to resign, which the President resented and rejected. The minister was followed by 30 Senators on the same mission, who were not permitted to interview the President. Information about firing in relation to safety of Americans.	711
	Same to same (telegram)...	...do....	Same subject. A rumor is being published purporting to be a statement of the President to the effect that the United States would intervene only after wanton slaughter of Americans. This is being used by Madero as an argument against his resigning.	712
	Same to same (telegram)...	...do....	Same subject. Relates an interview with the President and General Huerta, at which the Ambassador made six requests regarding firing, feeding the poor, and an armistice; these were agreed to. Other information.	712
	Mr. Knox to Mr. Wilson (telegram).	...do....	Same subject. Transcribes a telegram from President Madero to the President regarding protection of Americans and requesting that no marines be landed: also a note from the Mexican Embassy relating to the American ambassador's share in the request for President Madero's resignation, and in regard to landing marines. Instruction to supply exact information as to this request.	713
	Same to same.....	...do....	Protection of American life and property in Mexico. The Embassy's Jan. 18, transmitting the draft note to Mexico, has been referred to the President.	893
	Mr. Wilson to Mr. Knox (telegram).	Feb. 16	Political affairs. An armistice is in force. Information as to suppressive measures.	714
	Same to same (telegram)...	...do....	Same subject. President Madero has telegraphed the governors of all the Mexican States announcing military intervention.	714

MEXICO—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Wilson to Mr. Knox (telegram).	Feb. 16	Same subject. Many Mexicans, some of them Deputies in Congress, request protection at the embassy.	715
	Mr. Taft to Mr. Madero (telegram).	...do....	Same subject. Reply to his telegram received Feb. 14. President Madero is evidently misinformed. This Government desires nothing but the peace and prosperity of Mexico, but must meantime provide for the protection of American citizens.	715
	Mr. Wilson to Mr. Knox (telegram).	Feb. 17	Same subject. Reply to department's Feb. 15.	715
	Mr. Knox to Mr. Wilson (telegram).	...do....	Same subject. Instruction to use his own discretion in dealing with the whole matter of keeping Mexican official and unofficial opinion in a salutary equilibrium between a dangerous and exaggerated apprehension and a proper degree of wholesome fear.	717
4	Same to same (telegram).....	...do....	Same subject. Instruction to state, publicly and officially, that the policy of the United States remains unchanged, that no American forces have been landed in Mexico, that President Madero's statement about intervention is entirely misleading, as he has been informed, and that no action has been taken except that stated in telegrams of Feb. 10 and Feb. 11, 4 p. m. The action taken in relation to Cuban disturbances is on exactly the same principle, i. e. a measure of national precaution. Instruction to forward this telegram to the consul general.	717
	Mr. Wilson to Mr. Knox (telegram).	...do....	Same subject. Refers to the Mexican embassy's note of Feb. 15, and Mr. Lascurain's regrets concerning it. "In other words, the President [Madero] knew that this note was based on falsehood."	718
	Same to same (telegram).....	...do....	Same subject. Huerta notifies the ambassador of fully matured plans to remove Madero from power.	718
2	Same to same (telegram).....	...do....	Same subject. Reviews correspondence with the foreign office, which should enable the department to understand the unreliable character of the diplomatic representations of the Mexican Government.	718
3	Same to same (telegram).....	...do....	Same subject. Reports compliance with the instructions of Feb. 17, 2 a. m.	719
	Mr. Knox to Mr. MacVeagh (telegram).	...do....	Same subject. Requests withholding shipments of arms to points in Mexico, until further notice.	719
	Mr. Knox to Mr. von Meyer	...do....	Protection of foreigners in Mexico by the United States. Informs him that this Government has replied to various inquiries from foreign missions that after having cared for American interests it will extend protection to other nationals as far as possible. Requests transmission of this information to commanders of vessels in Mexican waters with appropriate instructions.	897
	Mr. von Meyer to Mr. Knox.	Feb. 18	Same subject. Instructions in substance as requested in department's Feb. 17 were cabled to the commanders on Feb. 15.	897
12	Mr. Knox to Mr. Wilson (telegram).	...do....	Political affairs. Congratulates him on his excellent work reported in his Feb. 15, 11 p. m.	719
11	Same to same (telegram).....	...do....	Same subject. Congratulates him on his success in arranging an armistice, etc.	720
15	Same to same (telegram).....	...do....	Same subject. Authorizes him to deny report referred to in embassy's Feb. 15, 10 p. m., governed by department's Feb. 17, 2. a. m.	719
10	Mr. Wilson to Mr. Knox (telegram).	...do....	Same subject. President Madero has been arrested by Blanquette with apparent approval of Huerta.	720
11	Same to same (telegram).....	...do....	Same subject. Huerta sends official notification of arrest of the President and his cabinet. Measures taken by the diplomatic corps and by the ambassador personally.	720
12	Same to same (telegram).....	...do....	Same subject. Reports success in causing Huerta and Diaz to cooperate, with the understanding that Huerta shall be Provisional President and Diaz name the cabinet.	720
	General Huerta to Mr. Taft (telegram).	...do....	Same subject. Notification that he has overthrown the Government.	721
	.....	Feb. 19	Same subject. Proclamation by Governor Carranza of the independence of the State of Coahuila.	721
14	Mr. Wilson to Mr. Knox (telegram).	...do....	Same subject. Summarizes the agreement between Huerta and Diaz and comments thereon. Requests instructions in regard to claims.	722
16	Same to same (telegram).....	...do....	Same subject. The procedure will be for the minister for foreign affairs to resign the executive power (which constitutionally devolves upon him) to General Huerta, who will be declared Provisional President and will announce his cabinet (names given). Reports conversation with General Huerta.	723

MEXICO—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
18	Mr. Wilson to Mr. Knox (telegram).	Feb. 20	Same subject. Reports installation of Huerta as Provisional President. General Diaz will transfer his forces to the Huerta Government. The ambassador, accompanied by the German minister, unofficially requested that the utmost precaution be taken to protect the lives of Madero and Pino Suárez. Requests instructions in the premises. Recommends retention in Mexican waters of the warships there.	724
20	Same to same (telegram).	...do....	Same subject. Requests instructions as to recognition of Huerta's Government.	725
21	Same to same (telegram)...	Feb. 20	Same subject. Gives text of resignation of President Madero and Vice President Pino Suárez.	725
23	Mr. Knox to Mr. Wilson (telegram).	...do....	Same subject. Instruction to inform Huerta, informally and unofficially, that the President has received his telegram of Feb. 18. Formulates a statment as to the treatment of Madero, which may be made to General Huerta.	725
	Mr. Holland to Mr. Knox (telegram).	Feb. 21	Same subject. Governor Carranza of Coahuila announces conformity to the new administration.	726
21	Mr. Knox to Mr. Wilson (telegram).	...do....	Same subject. The President is glad to believe that there is no prospect of injury to the deposed President and Vice President and their families.	726
23	Mr. Wilson to Mr. Knox (telegram).	...do....	Same subject. The ambassador assembled the diplomatic corps to discuss recognition of the new Government in view of an invitation to meet the President. It was agreed that recognition was imperative. The ambassador will act with his colleagues, and has instructed all consuls to do their best to bring about a general acceptance of the Provisional Government.	726
172	Mr. Holland to Mr. Knox..	...do....	Same subject. Reports Carranza's change from opposition to the Huerta Government to acceptance of it.	727
25	Mr. Knox to Mr. Wilson... (telegram).	...do....	Same subject. Instruction as to the attitude of the United States as to recognition of Huerta's Government, and statement of matters to be presented to it and satisfactorily replied to before recognition can be expected.	728
1228	Same to same.....	...do....	Tlahualilo case. Refers to his Jan. 30, and instructs him to interview the minister for foreign affairs and refer to Mr. Lascurain's conversation at Washington with the Secretary of State and his promise on that occasion to present definite bases for a settlement with the company if arbitration is abandoned.	1006
26	Mr. H. Wilson to Mr. H. L. Wilson (telegram).	Feb. 22	Political affairs. Defines the term "damages" as used in department's Feb. 21, 11 p. m.	729
25	Mr. Wilson to Mr. Knox (telegram).	...do....	Same subject. Reply to the two foregoing. Expects an interview with De la Barra resulting in something satisfactory. Desires instructions.	730
28	Mr. H. Wilson to Mr. H. L. Wilson (telegram).	...do....	Same subject. Instruction to explain wherever necessary that the movement of 5,000 troops from Fort Omaha to Galveston is only a matter of routine and indicates no change of policy. Quotes a statement by the President in this connection given to the press.	730
29	Mr. Knox to Mr. Wilson (telegram).	Feb. 23	Same subject. Refers to his No. 25, Feb. 22, 6 p. m. In giving further instructions the department will attach great importance to the embassy's recommendations after the interview with De la Barra.	731
27	Mr. Wilson to Mr. Knox (telegram.)	...do....	Same subject. Madero and Pino Suárez murdered. Report of the occurrence as stated to the ambassador by Mr. De la Barra, and to the public by Huerta.	731
28	Same to same (telegram)...	...do....	Same subject. Military honors will be done to the remains of Madero and Pino Suárez.	731
29	Same to same (telegram)...	...do....	Same subject. Requests the department to accept as from the embassy the statement given the Associated Press by the ambassador regarding the killing of the President and Vice President—the Government's version.	731
30	Same to same (telegram)...	...do....	Same subject. Suggests sending the commanders of the vessels at Vera Cruz, with sailors and the marines.	732
31	Same to same (telegram)...	...do....	Same subject. Reports text of an instruction to all consular officers, to urge general submission to the new Government.	732
	Mr. De la Barra to Mexican Embassy (telegram)	...do....	Same subject. Huerta Government's version of the killing of Madero and Pino Suárez as given to the Mexican Embassy to be handed unofficially to the department, and received Apr. 21, 1913.	732

MEXICO—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Stimson to Mr. Knox (telegram).	Feb. 23	Same subject. Quotes request of certain Mexicans from Salazar's camp to pass over American soil en route to Mexico City.	733
	Mr. Knox to Mr. Stimson (telegram).	...do....	Same subject. Reply to the foregoing, with reasons for requesting that the desired permission be granted.	733
	Mr. Nagel to Mr. Knox (telegram).	Feb. 24	Same subject. Refers to the foregoing and quotes order to the competent authority to permit passage over American soil of the Mexican petitioners.	734
33	Mr. Wilson to Mr. Knox (telegram).	...do....	Same subject. The Huerta Government refuses to accept the adhesion of Governor Carranza of Coahuila.	734
31	Mr. Knox to Mr. Wilson (telegram).	...do....	Same subject. Refers to his Feb. 20, 6 p. m. The vessels now in Mexican waters will remain.	735
33	Same to same (telegram)...	...do....	Same subject. Refers to his Feb. 23, 5 p. m. When conditions indicate the suitability of formal recognition of those in de facto authority as a provisional government, the department will be ready to consider the suggestion of a visit of ceremony by the naval commanders, but is not in favor of even then sending also marines and sailors.	735
	Mr. Bowman to Mr. Knox (telegram).	...do....	Same subject. The killing of Madero has embittered the State of Sonora, which will not submit to the Provisional Government.	735
654	Mr. Ellsworth to Mr. Knox.	...do....	Same subject. The governor of Coahuila has not signified that he will recognize the Provisional Government.	735
	Mr. Hanna to Mr. Knox (telegram).	...do....	Same subject. Rebel armies are active in Coahuila, Sonora and San Luis Potosi.	736
35	Mr. Wilson to Mr. Knox (telegram).	...do....	Same subject. Believes peace to be near; urges publicity for friendly attitude of the Provisional Government toward the United States. The Ambassador is disposed to accept the official version of the killing of Madero and to consider it a closed incident.	736
36	Same to same (telegram)...	...do....	Same subject. Refers to department's Feb. 21, 11 a. m.; reports compliance therewith and response thereto.	736
1227	Mr. Knox to Mr. Wilson...	...do....	Same subject. Refers to the embassy's Feb. 16, 9 p. m. and informs him of this Government's policy as to temporary refuge sought by foreigners.	737
38	Mr. Wilson to Mr. Knox (telegram).	Feb. 25	Same subject. The Associated Press announces that the British Government will not recognize the Provisional Government until after elections for permanent President. This has produced a disagreeable impression, and to avoid the like by a similar utterance by the United States, the Ambassador suggests either the maintenance of silence or the publication of an expression which he formulates.	738
36	Mr. Knox to Mr. Wilson (telegram).	...do....	Same subject. Reply to the foregoing Instructions.	738
	Mr. Wilson to Mr. Knox (telegram).	...do....	Same subject. Requests explanation of department's Feb. 25, 1 p. m.	738
	Mr. Stimson to Mr. Knox (telegram).	...do....	Same subject. Transmits telegrams between the War Department and commanding officer at San Antonio relative to orders not to permit troops to cross the boundary.	739
	Mr. Salazar to Mr. Knox...	...do....	Same subject. Requests recognition of the provisional government of Vásquez Gómez.	739
	Mr. De la Barra to Mexican Embassy.	...do....	Revolutionary claims. Memorandum of his interview with the American ambassador regarding claims.	940
46	Mr. Wilson to Mr. Knox (telegram).	Feb. 26	Political affairs. Reviews Mexican conditions and the Mexican attitude toward the United States. Desires an expression of the department on the course of the embassy.	741
	Mr. Carranza to Mr. Knox (telegram).	...do....	Same subject. Expresses his certainty that this Government will not recognize the Huerta government.	742
	Mr. Stimson to Mr. Knox (telegram).	Feb. 27	Same subject. Transmits telegram relative to Carranza's operations.	742
	Mr. Ellsworth to Mr. Knox (telegram).	...do....	Same subject. Describes conditions at Ciudad Porfirio Díaz under Carranza.	743
51	Mr. Wilson to Mr. Knox (telegram).	...do....	Same subject. Refers to his Feb. 22, 6 p. m. and Feb. 24, 8 p. m. Mr. de la Barra believes everything can be arranged to the Embassy's satisfaction.	743
52	Same to same (telegram)...	...do....	Same subject. Sums up the conditions throughout Mexico.	743
	Mr. Simpich to Mr. Knox (telegram).	...do....	Same subject. Rebel forces gathering in eastern Sonora.	744
	Mr. Garrett to Mr. Knox (telegram).	...do....	Same subject. A peace commission will meet at Nuevo Laredo. Personnel given.	744

MEXICO—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Knox to certain consuls (telegram).	Feb. 27	Same subject. Informs the Consuls at Ciudad Juarez, Ciudad Porfirio Diaz, and Nuevo Laredo of orders to permit entry into the United States of peace delegates to the conference at San Antonio.	744
	Mr. Knox to certain Cabinet officers (telegram).	...do....	Same subject. Informs the Secretaries of War, Justice, the Treasury, and Commerce, and Labor of the action indicated in the foregoing.	745
	The Department of State to the Mexican Embassy.	...do....	Same subject. Same purport as the foregoing.	745
46	Mr. Knox to Mr. Wilson (telegram).	...do....	Same subject. Transmits a telegram from the Mexican Foreign Office to the Mexican Embassy, handed to the Department Feb. 27, which is a mere generality. The Department expects specific and binding commitments in answer to the instruction No. 29 of Feb. 23, 11 p. m.	745
	Mr. Wilson to Mr. Knox (telegram).	Feb. 28	Same subject. Refers to his No. 46 of Feb. 27. De la Barra's telegram was meant to be no more than an expression of good will.	746
	Mr. Simpich to Mr. Knox (telegram).	...do....	Same subject. Revolution has broken out at Cananea. Troops wanted.	746
	Mr. Bowman to Mr. Knox.	...do....	Same subject. Ex-Governor Maytorena of Sonora has fled, probably to the United States. Situation serious.	746
	Mr. Hostetter to Mr. Knox (telegram).	...do....	Same subject. A majority of the people of Sonora are against the Provisional Government.	747
58	Mr. Knox to Mr. Wilson (telegram)	...do....	Same subject. Replies to his Feb. 26, 4 p. m. Recommends caution.	747
59	Same to same (telegram)...	...do....	Same subject. States the attitude of American public opinion as to the killing of Madero and Pino Suárez. Counsels caution, instructs as to the attitude to be maintained toward the Huerta administration.	747
58	Mr. Wilson to Mr. Knox (telegram).	...do....	Same subject. Reports request of Mr. de la Barra for withdrawal of American ships from Mexican waters and moderation of activity on the border. Gives substance of his response that he would resign if he could not carry out his instructions.	748
	Mr. Pesqueira to the President (telegram).	...do....	Same subject. The Provisional Governor of Sonora, as a member of the National Congress, protests against recognition of the Huerta administration. President Madero did not resign, the alleged resignation being a forgery obtained without a quorum and by armed coercion. The assassination of the constitutional rulers brings a serious responsibility on those now seeking recognition.	749
	Mr. Cable to Mr. Knox (telegram).	...do....	Same subject. The Assistant Secretary of Commerce and Labor transcribes a telegram sent to the competent authority in response to the Department's request concerning the peace delegates.	749
58	Same to same (telegram)...	...do....	Chamizal controversy. The Mexican Government proposes cession by the United States of San Elizario and Beaver Islands in exchange for cession by Mexico of the Chamizal tract.	972
58	Mr. Wilson to Mr. Knox (telegram).	...do....	Revolutionary claims. Memorandum of interview with the Minister for Foreign Affairs, touching the Chamizal, Colorado River, and Tlahualilo cases, and the general subject of claims.	940
64	Same to same (telegram)...	Mar. 1	Same subject. Supplements his No. 58 of Feb. 28; refers to the Chamizal, Colorado River, and Tlahualilo cases: the Douglas, El Paso, and Alamo claims, and the general matter of American claims.	942
64	Same to same.....	...do....	Chamizal controversy. The Mexican Government's position as to the Chamizal case now depends on replies to be had from the Department of State.	973
	Mr. Garrett to Mr. Knox (telegram).	...do....	Political affairs. Peace commission held a harmonious session at Nuevo Laredo and has left for San Antonio. Personnel given.	750
59	Mr. Wilson to Mr. Knox (telegram).	...do....	Same subject. Refers to his Feb. 28, midnight, and reports Mr. de la Barra's attitude toward the British Minister in relation to nonrecognition of the Provisional Government.	750
60	Same to same (telegram)...	...do....	Same subject. Carranza has submitted unconditionally; other information.	750
522	Mr. Hostetter to Mr. Knox.	...do....	Same subject. Reports efforts to reconcile different factions.	751
69	Mr. Wilson to Mr. Knox (telegram).	Mar. 2	Same subject. Carranza, though formally submitted, is in arms between San Luis Potosi and Monterey.	751

MEXICO—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Ellsworth to Mr. Knox (telegram).	Mar. 2	Same subject. Colonel Carranza at Ciudad Porfirio Diaz demands large sums from merchants to support his army, threatening not to be responsible for depredations otherwise; the merchants have decided to resist; danger from this situation may result to foreigners, who have appealed to the Consul. Instructions desired. Foreigners are not permitted to cross to the United States.	751
	Mr. Edwards to Mr. Knox (telegram).	...do....	Same subject. Reports accessions to the rebels and defections from the Federals in the Ciudad Juarez district.	752
	Mr. Hanna to Mr. Knox (telegram).	...do....	Same subject. The State of Coahuila is in revolt.	752
	Mr. Knox to Mr. Ellsworth (telegram).	Mar. 3	Same subject. Replies to his Mar. 2 and instructs to insist on protection of Americans, to use his good offices in behalf of other foreigners, and to protest informally and unofficially against forbidding foreigners to leave.	752
74	Mr. Wilson to Mr. Knox (telegram).	...do....	Same subject. Reports handing to the Minister for Foreign Affairs in behalf of the Diplomatic Corps a memorandum stating that the Diplomatic Corps has entered into communication with the Provisional Government without in any way committing themselves as to formal recognition, which is left to the respective Governments; explains this action.	753
	Mr. Knox to Mr. Wilson (telegram).	...do....	Same subject. Quotes telegram describing firing across the border near Douglas, resulting in a return fire by United States troops and six Mexican casualties. Instructs to say to the Mexican Government that the return fire was justified, as it was a repelling of foreign invasion. Quotes instructions to the commanding officer to return fire when necessary, but not to cross the boundary. Instructs to notify the Mexican Government to take adequate steps to control the situation at Cananea and elsewhere.	754
	Mr. Stimson to Mr. Knox (telegram).	...do....	Same subject. Quotes telegram from commanding officer at Douglas, quoting his instructions to return fire if necessary, but not to allow United States troops to cross the border.	755
69	Mr. Knox to Mr. Wilson (telegram).	...do....	Chamizal controversy. Refers to his No. 58 of Feb. 28 and No. 64 of Mar. 1, Chamizal case; instructs concerning modifications proposed by the Department as to bases of settlement; rejects the proposal of ceding the islands.	973
	Mr. Ellsworth to Mr. Bryan	Mar. 4	Political affairs. Governor Carranza has submitted for transmission to the Department a proposition demanding the resignation of the Provisional Government and suggesting Lascurain for President. There is no hope of Carranza submitting to the Provisional Government.	755
	Mr. Wilson to Mr. Bryan (telegram).	...do....	Same subject. General Felix Diaz called to congratulate the new American administration.	756
73	Mr. Wilson to Mr. Knox (telegram).	...do....	Protection of foreigners in Mexico by the United States. Reports instructing Consul at Ciudad Porfirio Diaz to protect Spanish subjects where consistent and necessary, in compliance with Spanish Minister's request.	898
	Mr. Bryan to Mr. Wilson..	Mar. 5	Same subject. In connection with the Embassy's No. 73 of Mar. 4, quotes an instruction to the Consul at Ciudad Porfirio Diaz regarding the protection of foreigners.	898
	Mr. Bowman to Mr. Bryan (telegram).	...do....	Political affairs. Reports that the Congress of Sonora repudiates the Provisional Government; Hermosillo is being fortified.	756
77	Mr. Wilson to Mr. Bryan (telegram).	...do....	Same subject. The State of Coahuila is the center of the most formidable resistance to the Provisional Government, and is the only State refusing submission. Other news of the revolution. Characterization of Carranza's political standing.	756
78	Mr. Bryan to Mr. Wilson (telegram).	...do....	Same subject. Instruction to thank General Diaz for his congratulations.	757
81	Mr. Wilson to Mr. Bryan (telegram).	...do....	Same subject. Reports interruption of the American mails though European mails arrive. Urges forcible representations.	757
	Mr. Hostetter to Mr. Bryan (telegram).	Mar. 6	Same subject. Reports suggesting to the embassy that it would be good policy for the Provisional Government to withdraw its troops from Sonora, whereupon the State troops could restore order, after which the State would send a commission to Mexico City to discuss recognition.	757

MEXICO—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
80	Mr. Bryan to Mr. Wilson (telegram).	Mar. 6	Same subject. Approves his Mar. 3, 7 p. m.	758
	Mr. Ellsworth to Mr. Bryan (telegram).	...do....	Same subject. Reports that the Embassy has urged Governor Carranza to come to terms with the Provisional Government; the governor indignantly refused and announced armed resistance. His strength should not be underestimated. The consulate is denied communication with the Embassy.	758
	Mr. Bryan to Mr. Ellsworth (telegram).	..Mar. 7	Same subject. Instruction to protest vigorously against denial to consulate of communication with the embassy.	758
	Mr. Edwards to Mr. Bryan (telegram).	...do....	Same subject. Peace conference on American soil has failed to be held; self-appointed commissioners now on the way to Mexico City.	759
	Mr. Maitorena to Mr. Bryan (telegram).	...do....	Same subject. The Constitutional Governor of Sonora informs the Department of the successful state of the revolution and requests the United States not to recognize Huerta's Government until the public shall have expressed themselves.	759
	Mr. Ellsworth to Mr. Bryan (telegram).	...do....	Same subject. Reports continued refusal to permit communication with Saltillo.	759
91	Mr. Wilson to Mr. Bryan (telegram).	Mar. 8	Same subject. Reports dissatisfaction of the Provisional Government with the attitude of the United States as to recognition. Information as to British attitude, and inquiries by diplomats at Mexico City.	760
89	Mr. Bryan to Mr. Wilson (telegram).	...do....	Same subject. Quotes Mr. de la Barra's telegram of congratulations, and instructs to express, informally and unofficially, his thanks.	760
91	Same to same (telegram)....	...do....	Same subject. Instruction, in view of Mr. Hostetter's telegram of Mar. 6, informally and unofficially to advise all inquiring officials that the United States is deeply interested in the restoration of order and to suggest mutual concessions; instruction to exercise all proper influence to bring about cooperation.	761
	Mr. Bryan to Mr. Hostetter (telegram).	...do....	Same subject. Quotes the foregoing.	761
92	Mr. Wilson to Mr. Bryan (telegram).	...do....	Revolutionary claims. Reports an interview with the minister for foreign affairs concerning Tlalmalilo, Chamizal, Alamo, Douglas, and El Paso matters; says as to general claims that Mexico is willing to follow the precedents adopted by the United States in paying claims not falling within the rules of international law but settled for amicable and humanitarian considerations.	942
96	Same to same (telegram)...	Mar. 9	Political affairs. Refers to department's Mar. 6, which instruction is precisely in line with his own policy.	761
	Mr. McReynolds to Mr. Bryan (telegram).	Mar. 10	Same subject. Quotes telegram from the marshal at San Antonio relating to the expected peace conference there, which was not held, and invites suggestions as to further suspensions of service of process.	762
	Mr. Ellsworth to Mr. Bryan (telegram).	...do....	Same subject. Reports Carranza's military operations.	762
	Mr. Edwards to Mr. Bryan (telegram).	...do....	Same subject. Anti-Government forces constantly increasing; the struggle will apparently prove to be a real war.	762
98	Mr. Wilson to Mr. Bryan (telegram).	Mar. 11	Same subject. Reports retreat of Carranza to Monclova and his probable early defeat, reducing the revolution to Sonora and Lower California. Counsels department as to attitude of certain consuls. Reports the rest of Mexico at peace.	762
97	Mr. Bryan to Mr. Wilson (telegram).	...do....	Same subject. Refers to the Embassy's No. 96 of Mar. 9 and instructs in regard to extent to which to inform the Provisional Government of reports from American consuls.	763
175	Mr. Holland to Mr. Bryan..	...do....	Same subject. Confirms telegraphic instructions and reports; states conditions at Saltillo during occupation of Governor Carranza in opposition to the Provisional Government.	763
98	Mr. Bryan to Mr. Wilson (telegram).	...do....	Revolutionary claims. Refers to Embassy's No. 92 of Mar. 8, as to general claims. Instructs him that the department asks nothing less than an unequivocal commitment of Mexico to the effect that all American claims growing out of disturbances in Mexico shall be submitted to and be adjudicated by an international commission.	943

MEXICO—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
102	Mr. Wilson to Mr. Bryan (telegram).	Mar. 12	Same subject. Reports that the Mexican Government expects soon to make a definite statement as to the Chamizal case, and that on showing the minister for foreign affairs the Department's No. 98 of Mar. 11, he said the arrangement there mentioned would be contrary to Mexican law.	943
1901	Mr. Wilson to Mr. Bryan	...do	Political affairs. A long despatch giving a history of the political disturbances leading to Madero's overthrow and murder; comments on the legal status of the Provisional Government and the merits of recognition of it by the United States; the American colony; progress of restoration of peace; characterizations of Felix Díaz and Huerta; forecast.	768
	Editor's note		Prohibition of shipment of arms, etc., into Mexico from the United States; various violations of neutrality. Review of this subject as to 1912.	867
105	Mr. Wilson to Mr. Knox (telegram).	...do	Chamizal controversy. Mexico agrees to the American proposal of bases for settlement of the Chamizal case.	974
	Mr. Bryan to Mr. Bowman (telegram).	...do	Political affairs. Transmits Governor Maytorena's telegram of Mar. 7. Instructs him to say orally to Maytorena that this Government considers it wise to remove misunderstandings by conferences when possible and by mutual concessions. Consuls may exercise proper influence to reconcile State and Central administrations.	776
	Mr. Garrison to Mr. Bryan (telegram).	...do	Same subject. The Secretary of War transmits telegram showing Carranza's forces increasing daily and no prospect of Carranza acquiescing in Federal offer to hold a peace conference.	777
105	Same to same (telegram)	...do	Revolutionary claims. Reports that Mexico agrees to American proposal as to Chamizal case; Tlalmalilo case progressing satisfactorily; specific cases of damages growing out of the revolution would have direct offer; that American demands as to general claims were acceded to in form. The Ambassador will continue to insist on an international commission.	944
109	Mr. Bryan to Mr. Wilson (telegram).	Mar. 14	Same subject. Requests text of Mexican commitments.	944
	Mr. Ellsworth to Mr. Bryan (telegram).	...do	Political affairs. Many believe Governor Carranza's goal is the Presidency; his success insecuring volunteers is unquestionable.	777
1906	Mr. Wilson to Mr. Bryan	...do	Same subject. Refers to his own No. 1901 of Mar. 12. Transmits a personal, unofficial note which he has addressed to General Huerta, calling his attention to the Embassy's note of Sept. 15, 1912.	777
284	Mr. De la Cueva to Mr. Bryan.	Mar. 15	Same subject. Makes representations as to the legitimacy of the Huerta Government.	778
524	Mr. Hostetter to Mr. Bryan	...do	Same subject. Reports events ending in the secession of the State of Sonora.	779
525	Same to same	Mar. 17	Same subject. Same tenor	780
117	Mr. Wilson to Mr. Bryan (telegram).	...do	Same subject. Transmits statement given by the Mexican Government to the press concerning an interview between General Huerta and the American Ambassador.	781
118	Mr. Wilson to Mr. Bryan (telegram).	Mar. 18	Tlahualilo case. Transmits text of note from the Mexican Foreign Office relative to the questions pending between Mexico and the United States and professing a desire to settle them all satisfactorial; references to the Chamizal, Colorado River, Tlalmalilo, border claims, and general claims cases.	1007
118	Same to same (telegram)	...do	Revolutionary claims. Gives text of a note from the Foreign Office touching on the Chamizal, Colorado River, Tlahualilo, Douglas, El Paso, and Alamo cases; referring to "general claims growing out of the civil struggle" it says that they will be divided into three classes; description of these classes and promise of early settlement. Instruction requested.	944
122	Same to same (telegram)	...do	Same subject. Supplements his No. 118 of Mar. 18, 2 p. m.	945
118	Same to same (telegram)	...do	Chamizal controversy. Transmits text of note from Foreign Office stating that the Mexican Government will give preferred and prompt attention to questions pending between it and the United States, and the Chamizal settlement will be the main object of its Ambassador's mission at Washington. Instructions desired.	974

MEXICO—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Wilson to Mr. Bryan (telegram).	Mar. 20	Political affairs. The Provisional Government requests the withdrawal from Mexican waters of as many American war vessels as possible, since Mexican law does not permit foreign ships of war to remain over thirty days. The Ambassador has replied that as the United States does not recognize the Provisional Government as a de jure government, the Provisional Government's representations are inopportune and its attitude should be expectant and receptive.	781
	Mr. Adee to the President..	Mar. 24	Same subject. Explains at length the procedure followed under the Proclamation of Mar. 14, 1912; recites objections to impartial enforcements; requests views.	872
132	Same to same.....	...do....	Political affairs. Full amnesty has been granted by Congress for the revolutionary period up to the establishment of the Provisional Government. Lack of recognition is preventing securing of loan.	782
	Mr. Pesqueira to Mr. Bryan (telegram).	...do...	Same subject. Quotes his telegram of Mar. 6 informing the Department of the refusal of Sonora to recognize Huerta and offering assurances of the safety of American interests. Signed as Governor ad interim.	782
	The President to Mr. Adee	Mar. 25	Prohibition of shipment of arms, etc. Refers to Mr. Adee's letter of Mar. 24; approves action of the Department; expresses appreciation of careful consideration of the matter; asks that classes of shipments be separated so that each permit will contain articles falling under only one of the five classes.	875
	Mr. Simpich to Mr. Bryan (telegram).	Mar. 26	Political affairs. Reports Constitutionalist victory at Cananea.	782
	Mr. Lorillard to Mr. Bryan (telegram).	...do....	Same subject. Argentina will probably not recognize the Government of Mexico until after the United States has done so.	783
138	Mr. Wilson to Mr. Bryan (telegram).	Mar. 27	Same subject. The Foreign Office suggests that the United States formally request permission for its war vessels to remain in Mexican waters.	783
144	Mr. Adee to Mr. Wilson (telegram).	...do....	Chamizal controversy. States the Department's understanding of the asurrances contained in Mr. Wilson's No. 105 of Mar. 13 and No. 118 of Mar. 18, and the Mexican Embassy's memorandum of Jan. 27, in connecction with the Department's modifications contained in its telegram of Mar. 3. Instruction to state this understanding in a note to the Foreign Office.	975
141	Mr. Wilson to Mr. Knox (telegram).	Mar. 28	Same subject. To his note in compliance with Department's Mar. 27 the Foreign Office replies with certain stipulations.	975
226	Mr. Bowman to Mr. Wilson	...do....	Political affairs. Reports good order in Sonora, the State Government merely desiring repudiation of Huerta and not intending to secede from the Republic. Recruits continue to join the State forces. Other information.	783
	Mr. Ellsworth to Mr. Bryan (telegram).	Mar. 30	Same subject. Carranza has declared himself Provisional President.	784
145	Mr. Wilson to Mr. Bryan (telegram).	...do....	Same subject. Desires instructions as to joining his colleagues in a meeting to consider recognition.	784
145	Same to same (telegram)...	...do....	Revolutionary claims. Requests instructions as to attendance at a Diplomatic Corps meeting to consider recognition and general claims.	946
148	Same to same (telegram)...	Mar. 31	Same subject. The Diplomatic Corps is unanimously for an international claims commission.	946
150	Same to same (telegram).....	...do....	Political affairs. There is perfect accord between General Díaz and the Provisional President.	784
85	Mr. Bryce to Mr. Bryan.....	...do....	Same subject. The British Government is recognizing Huerta as President ad interim of the Republic of Mexico.	784
158	Mr. Bryan to Mr. Wilson (telegram).	Apr. 1	Same subject. Replies to his No. 145 of Mar. 30, 1 p. m. The Ambassador may call or attend a meeting of the Diplomatic Corps if he maintains a noncommittal attitude.	785
	Mr. Oliver to Mr. Bryan (telegram).	...do....	Same subject. Military information. Carranza's operations around Monclova.	785
158	Mr. Bryan to Mr. Wilson (telegram).	...do....	Revolutionary claims. Refers to his No. 145 of Mar. 30. Instructs in regard to claims commission.	946
1914	Mr. Wilson to Mr. Bryan...	...do....	Same subject. Incloses memorandum of interview with General Huerta on Mar. 27, at which the claims commission was discussed. The President promised favorable consideration of the proposed international commission.	947

MEXICO—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Bryan to certain consular officers.	Apr. 2	Prohibition of shipment of arms. Sets forth the policy followed by the Department in granting exceptions to the Proclamation of Mar. 14, 1912.	876
1916	Mr. Wilson to Mr. Bryan...	...do....	Message of the Provisional President. Transmits message read to the Congress Apr. 1 by General Huerta.	691
1917	Same to same.....	...do....	Political affairs. Transmits copies of correspondence with the Foreign Office regarding retention of American war vessels in Mexican waters.	785
	Mr. Ellsworth to Mr. Bryan (telegram).	Apr. 3	Same subject. Reports prospective establishment by Carranza of general headquarters of the Constitutionalists at Ciudad Porfirio Díaz. Constitutionalists preparing for a meeting there.	787
163	Mr. Wilson to Mr. Bryan (telegram).	Apr. 4	Same subject. Reports strengthening of Federal control with a few exceptions.	788
159	Same to same (telegram)...	...do....	Same subject. Reports having remonstrated against intended execution of General Angeles.	788
171	Mr. Bryan to Mr. Wilson (telegram).	Apr. 5	Same subject. Refers to the foregoing and assumes that the Ambassador has acted solely on his own initiative and only on humanitarian grounds without the semblance of formal or official representation.	788
	Mr. Ellsworth to Mr. Bryan (telegram).	...do....	Same subject. Constitutionalist Chief Carranza has put up on the customhouse a sign reading "Palace of the Government." A majority of the people in the district are Carrancistas.	788
	Mr. Colquitt to Mr. Bryan..	...do....	Prohibition of shipment of arms. Quotes a report to the adjutant general of Texas showing smuggling of arms into Mexico from Eagle Pass. The Governor of Texas informs the Secretary that since the War Department had stated that enforcement of the neutrality laws was not the business of Texas, he had directed the State authorities to cease their efforts, in order to prevent conflict between State and Federal authority.	877
112	Mr. Johnson to Mr. Bryan..	...do....	Political affairs. Explains his action in sheltering at the consulate General Estrada, a Federal officer.	789
	Mr. de la Cueva to Mr. Bryan.	...do....	Same subject. Requests permission for a peace commission to hold conferences at El Paso.	789
169	Mr. Wilson to Mr. Bryan (telegram).	Apr. 8	Revolutionary claims. Refers to department's No. 158 of Apr. 1. The other foreign representatives indorse the policy of the United States as to settlement of claims. The foreign office, however, still urges its plan outlined in Mr. Wilson's Mar. 18, 2 p. m.	947
414	Mr. de la Cueva to Mr. Bryan.	...do....	Prohibition of shipment of arms, etc. Requests that explosives exported to Mexico be reported to the Mexican Government in order that it may state whether or not there is objection thereto.	877
173	Mr. Wilson to Mr. Bryan (telegram).	...do....	Political affairs. Urges moral support of Provisional Government.	790
	Mr. Fletcher to Mr. Bryan (telegram)	Apr. 10	Same subject. Chile will largely conform to the action of the United States in regard to recognition of the Provisional Government.	790
176	Mr. Wilson to Mr. Bryan (telegram).	Apr. 12	Same subject. Spain has recognized the Provisional Government.	790
181	Same to same (telegram)....	...do....	Same subject. Refers to his Mar. 20 from Vera Cruz. The foreign office requests a statement as to the stay of American war vessels beyond the constitutional limit of time.	790
	Mr. Fierros to the President (telegram).	Apr. 14	Prohibition of shipment of arms, etc. In behalf of 238 Constitutionalists he requests that exportation of arms for Huerta forces be stopped and that the belligerent rights of the Constitutional army be recognized if the President believes that the Constitutionalist Party is sincerely fighting for liberty.	878
183	Same to same (telegram)...	Apr. 15	Political affairs. Suggests that aid be given the Provisional Government in securing a loan.	791
1924	Same to same.....	...do....	Same subject Supplements his No. 1917 of Apr. 2 with further correspondence.	791
192	Mr. Bryan to Mr. Wilson (telegram).	Apr. 17	Same subject. Replies to his Apr. 12, 2 p. m. Gives movements of war vessels and instructs to request usual formalities.	793
	Mr. Hamm to Mr. Bryan (telegram).	Apr. 18	Same subject. Requests instructions for guidance of Americans in Durango in their relations with the contending factions.	793
	Mr. Bryan to Mr. Hamm (telegram).	Apr. 19	Same subject. Reply to the foregoing. Instructions for guidance of Americans in accordance with international law.	793
	Mr. Bryan to Mr. Wilson ..	...do....	Same subject. Replies to his No. 1917 of Apr. 2.....	794

MEXICO—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
438	The Mexican Embassy to the Department of State.	Apr. 19	Same subject. Discusses the attitude of this Government toward that of Mexico, whose legality it justifies.	794
	Mr. Carranza to the President.	Apr. 21	Same subject. This is file No. 812.00/7298 and was not to be found when this slip was written.	795
	Mr. Bryan to all American consuls in Mexico (telegram).	Apr. 23	Protection of American life and property in Mexico. Refers to Department's Nov. 25, 1912; instructs to bring up to date the reports there referred to.	894
52	Mr. Bryan to Mr. Johnson..	Apr. 24	Political affairs. Replies to his No. 112 of Apr. 7. Instructs him as to this Government's policy in regard to affording protection at consulates.	796
	Mr. Moore to Mr. Garrison..	Apr. 25	Same subject. Transmits request of Mexican Embassy to permit General Ojeda et al. to return to Mexico, to be disposed of by the War Department.	797
213	Mr. Wilson to Mr. Bryan (telegram).	Apr. 26	Same subject. Will forward memorandum to the foreign office on the stay of American vessels in Mexican waters.	797
450	Mr. de la Cueva to Mr. Bryan.	Apr. 29	Same subject. General Ojeda et al. having been detained anew, the Mexican Embassy requests permission for them to depart for Mexico.	797
	Mr. Wilson to Mr. Bryan (telegram).	...do....	Tlahualilo case. The agreement between Mexico and the Tlahualilo Company may be considered as perfected, the contract of agreement having been signed.	1003
279	Mr. Moore to Mr. de la Cueva.	Apr. 30	Prohibition of shipment of arms, etc. Refers to his No. 414 of Apr. 8. This Government can not accede to his request. The enforcement of the Joint Resolution and Proclamation thereof of Mar. 14, 1912, is a domestic matter, not contingent on the opinion of the Mexican Government. No exportation, however, is permitted when use thereof to promote domestic disorder in Mexico is probable.	878
218	Mr. Wilson to Mr. Bryan (telegram).	May 1	Political affairs. Constitutional elections are to be held on Oct. 26.	798
455	Mr. de Terreros to Mr. Bryan.	May 2	Same subject. Transmits telegram from the foreign office stating that elections will be held Oct. 26, and that all political factions have united on a reconstructive program.	798
	Mr. Moore to Mr. Wilson... (telegram).	...do....	Colorado River. Asks whether the foreign office has accepted the changes proposed to its counterdraft of the Colorado River Commission convention.	992
220	Mr. Wilson to Mr. Bryan...	May 3	Same subject. Replies to department's inquiry of May 2. The Minister of Fomento is in practical agreement with the Department's counterdraft of the amended convention.	993
	.....	.....	Same subject. Editor's note: The Ambassador on May 8 reported that General Huerta refused to consider the Colorado River question until formal recognition of his administration by the United States. No further action appears to have been taken during 1913.	993
	Mr. Moore to certain consuls (telegram).	May 3	Protection of foreigners in Mexico by the United States. Informs the consuls at Nogales, Cananea, Hermosillo and Guaymas of violence to Chinese subjects in Sonora and instructs them to use their informal good offices where possible and permitted in behalf of Chinese resident in Mexico.	916
	Mr. Moore to Mr. de Terreros	May 7	Political affairs. Acknowledges this May 2.....	798
212	Mr. Moore to Mr. Wilson (telegram).	...do....	Same subject. Replies to his Apr. 25, 7 p. m. This Government does not require permission, even under the Mexican Constitution, for retaining its vessels of war in Mexican waters.	799
225	Mr. Wilson to Mr. Bryan (telegram).	May 8	Same subject. General Huerta advocates recognition of the Provisional Government in a statement to the ambassador.	799
225	Same to same (telegram)....	....do....	Revolutionary claims. President Huerta informs the ambassador that in view of the delay of recognition of his government by the United States, Mexico does not feel like concluding the claims matters until the matter of recognition was settled.	948
225	Same to same (telegram)...	...do....	Chamizal controversy. President Huerta has in effect refused further to consider the Chamizal question until such time as the United States recognizes his administration.	976
227	Same to same.....	May 10	Political affairs. Supplements the foregoing; the Provisional Government will hereafter confine to routine matters its relations with the ambassa- who comments on his resultant status.	800

MEXICO—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
230	Mr. Wilson to Mr. Bryan (telegram).	May 11	Same subject. Supplements the foregoing; Mr. de la Barra confirms the ambassador's statement that the Mexican Government could not detract from the powers of a regularly appointed and duly accredited diplomatic officer except by handing him passports, which is not contemplated in the present case.	801
	Mr. Bryan to Mr. Colquitt..	May 13	Prohibition of shipment of arms, etc. Replies to the Governor's Apr. 7. Smuggling of arms in a small way may be going on but probably not to an alarming extent.	879
293	Mr. Bryan to Mr. de la Cueva.	May 14	Political affairs. Replies to his Apr. 7.....	801
1955	Mr. Wilson to Mr. Bryan..	May 15	Same subject. Reviews the political, military, and economic situation in Mexico.	801
238	Same to same (telegram)...	May 17	Political affairs. Gives a list of the government's that have recognized the Provisional Government and of those expected soon to do so.	804
239	Same to same (telegram)...	May 18	Same subject. Summarizes a statement by the Associated Press purporting to be an official announcement of the Department of State that official recognition of the Provisional Government is to be made.	804
	Mr. Bryan to Mr. Wilson (telegram).	May 19	Same subject. Instructs him to deny the truth of the foregoing. No statement whatever has been made in regard to recognition.	805
	Mr. Colquitt to Mr. Bryan..	...do....	Shipment of arms. Refers to Mr. Moore's letter of May 13. Believing that the Federal Government is right in assuming that the State of Texas has no jurisdiction over enforcement of the neutrality laws he has instructed the State officers accordingly.	879
	Same to same.....	...do....	Same subject. Quotes telegram from I. L. Pérez, constitutionalist agent at Naco, Ariz., stating cases of exportation of arms for Huerta Government and requesting that they be stopped. He has advised the writer that enforcement of the neutrality laws devolves solely on the Federal Government.	880
1956	Mr. Wilson to Mr. Bryan...	May 20	Tlahualilo case. Transmits translation of the text of the contract between the Mexican minister of Fomento and the representatives of the Tlahualilo Company whereby the controversy is closed.	1008
245	Mr. Wilson to Mr. Bryan (telegram).	May 21	Political affairs. Belgium and Guatemala have formally recognized the Provisional Government.	805
252	Same to same.....	May 25	Political affairs. Norway has formally recognized the Provisional Government.	805
	Mr. Morgan to Mr. Bryan (telegram).	May 31	Political affairs. Brazil would be glad to have an expression of this Government's opinion in regard to advisability of recognizing the government of Mexico. Brazil desires to know if the Government of the United States would be incommoded if Argentina, Brazil and Chile should recognize the Government of Mexico before the United States found it convenient to do so.	805
	Mr. Bryan to Mr. Morgan (telegram).	...do....	Same subject. Replies to the foregoing. This Government is not ready to consider recognizing the Provisional Government and hopes the countries mentioned will withold action until the course of the United States is determined.	806
265	Mr. Wilson to Mr. Bryan (telegram).	June 1	Same subject. Russia has recognized the Provisional Government.	806
	Mr. Morgan to Mr. Bryan (telegram).	June 2	Same subject. Brazil will withold recognition until the course of the United States has been determined.	806
266	Mr. Wilson to Mr. Bryan (telegram).	...do....	Same subject. The Mexican loan of 200,000,000 pesos has been concluded. Speyer Bros. share in it.	806
268	Same to same (telegram)...	June 3	Same subject. The Chinese chargé d'affaires requests this Government's protection for Chinese citizens in disturbed districts when in distress or danger. Instructions desired.	806
	Same to same (telegram)....	...do....	Protection of foreigners in Mexico by the United States. Reports request of Chinese chargé d'affaires for American protection to his nationals when in distress or danger.	917
	Same to same.....	June 4	Protection of American life and property in Mexico. Requests reports of outlying American settlements, to be supplementary to the reports in pursuance of the instructions of Nov. 25, 1912.	894

MEXICO—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Bryan to Mr. Wilson (telegram).	June 6	Protection of foreigners in Mexico by the United States. Refers to foregoing and instructs him to render when necessary such informal good offices as possible and permitted.	917
240	Same to same (telegram)	...do....	Political affairs. Replies to the foregoing. Instructions to consuls may be issued when necessary to render such informal good offices as may be possible and as the local authorities may permit.	807
280	Mr. Wilson to Mr. Bryan (telegram).	June 9	Same subject. Urgently reiterates the advisability of recognizing the Provisional Government, with reasons therefor, and requests that this communication be brought to the direct attention of the President and that the ambassador be informed of the President's policy on this question in order that the embassy may fully reflect it	807
281	Same to same (telegram)	...do....	Chamizal controversy. A note of June 9 from the foreign office states that the failure of the United States to recognize the ambassador of the Huerta Government and the unusual relations of the two Governments require treatment of the Chamizal question from a new point of view. The date on or before which the arbitral award must be executed is June 15, 1913, a point called to the department's attention. Mexico reserves all of its rights to the part of the Chamizal tract covered by the award and failure to execute the award on the date fixed must not be argued as detrimental to Mexico.	976
244	Mr. Bryan to Mr. Wilson (telegram).	June 13	Chamizal controversy. Refers to his June 9 and instructs him to say that this Government takes note of Mexico's reservation of rights, will hereafter take up the negotiations at the point of interruption, and endeavor to reach a mutually satisfactory conclusion along the general lines already marked out and agreed upon.	976
286	Mr. Wilson to Mr. Bryan	..do....	Same subject. Instructions of department's No. 244 of June 13 have been complied with.	976
296	Same to same (telegram)	June 19	Political affairs. General Díaz declares that his relations with Huerta are excellent; that the compact between them made at the embassy on Feb. 18 he now considered dissolved by the act of Congress setting Oct. 26 for presidential elections. Díaz greatly regretted this Government's failure to recognize the Provisional Government.	808
1337	Mr. Moore to Mr. Wilson	June 21	Revolutionary claims. Refers to his No. 1888 of Feb. 5. Instructs him to inform the British minister and the Mexican Government that his statements quoted therein were made on his own responsibility.	948
	Mr. Simpich to Mr. Bryan (telegram).	June 23	Protection of foreigners in Mexico by the United States. Reports a case in which he made representations to the Mexican authorities in behalf of Chinese subjects. Requests that the matter be reported to the Chinese Legation in order to secure further action at Nogales and Cananea.	917
	Mr. Romero to Mr. Bryan	June 26	Shipment of arms. The confidential agent of the Constitutionalist Government states that if the Huerta government were not supplied with munitions of war from the United States, it is doubtful that it could have sustained itself in power for more than a brief period. A like privilege, moreover, is denied to the constitutionalists although they have forces and attributes justifying the United States Government in considering the protest hereby made to the protraction of the war due to the policy of the United States.	889
286	Mr. Bryan to Mr. Simpich	July 3	Protection of foreigners in Mexico by the United States. Refers to his No. 244 of June 19 (not printed) in which he reports a request of Chinese near Cananea who desire to cross into the United States for protection. Instructs him as to procedure in facilitating the entry of Chinese into the United States for temporary refuge.	918
1998	Mr. Wilson to Mr. Bryan	July 7	Revolutionary claims. Refers to department's No. 1337 of June 21, without further instructions he feels unable to proceed with the claims matters.	949
315	Same to same (telegram)	July 8	Political affairs. De la Barra has resigned the position of minister for foreign affairs. Instructions desired as to what attitude to assume toward the new minister.	808

MEXICO—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
316	Mr. Wilson to Mr Bryan (telegram).	July 9	Same subject. Urgently requests that this Government take drastic action to protect American citizens and their property and to end the barbarous warfare now being waged; suggests two ways: (1) Official recognition of the Provisional Government coupled with a demand for guaranties; (2) closing of the embassy as a protest against existing conditions. Requests that this telegram be brought to the President's attention.	808
277	Mr. Bryan to Mr. Wilson (telegram.)	July 10	Same subject. Replies to his July 8, 7 p. m. Instructs him to continue making his representations as in the recent past. This does not raise the question of recognition.	899
	Mr. Roosevelt to Mr. Bryan.	...do....	Protection of foreigners in Mexico by the United States. The Acting Secretary of the Navy forwards to the Department of State a telegram showing protection of Chinese at Guaymas by the United States war vessels there.	918
318	Mr. Wilson to Mr. Bryan (telegram).	July 11	Political affairs. Replies to the foregoing and refers to his own July 8, 7 p. m. Requests further instructions specifically relating to attendance at an official reception.	810
319	Same to same (telegram)...	...do....	Same subject. Refers to his July 9, 5 p. m., and supplements it with further information, and further urgent suggestion to follow one of the two courses it points out.	810
16	Mr. Laughlin to Mr Bryan (telegram).	...do....	Same subject. The recognition of Huerta's Government by the British Government is provisional and will terminate in October at the election date, whereupon it will come up de novo. Sir Edward Grey says that recognition by other European Governments is similarly provisional, and hopes the United States will add its strength in a like manner. Requests instruction.	811
321	Mr. Wilson to Mr. Bryan (telegram).	July 12	Same subject. Counsels aggressive attitude in view of anti-American demonstrations.	811
2007	Same to same.....	July 15	Same subject. Incloses note sent July 12 to the foreign office in regard to the anti-American demonstrations.	811
333	Mr. O'Shaughnessy to Mr. Bryan (telegram).	July 17	Same subject. The Ambassador sails this day for the United States in pursuance of the department's instructions. Mr. O'Shaughnessy has taken charge of the embassy.	812
337	Same to same (telegram)...	...do....	Same subject. General Felix Diaz has accepted a special ambassadorship to Japan. Other information.	812
	Mr. Moore to Mr. Edwards. (telegram).	...do....	Protection of foreigners in Mexico by the United States. The Red Cross having been appealed to by the Chinese Legation for assistance for Chinese at Pearson, Chihuahua, the consul is instructed to report what the necessities are.	919
295	Mr. Bryan to Mr. O'Shaughnessy (telegram).	July 18	Political affairs. Any anti-American demonstrations at this time could not but be viewed with serious misgivings. The authorities should appreciate this fact, as well as the grave responsibility that would attend connivance at or indifference to anti-American agitation.	813
340	Mr. O'Shaughnessy to Mr. Bryan (telegram).	...do....	Same subject. General Felix Diaz assures him his journey to Japan has no political significance. The police have orders to arrest anyone using disrespectful language toward the United States at the demonstration planned for the arrival of the Japanese minister.	813
293	Mr. Bryan to Mr. O'Shaughnessy (telegram).	...do....	Same subject. Refers to department's No. 277, July 10, 5 p. m. and the embassy's No. 318, July 11, noon. Instructions regarding attendance at the official reception.	813
344	Mr. O'Shaughnessy to Mr. Bryan (telegram).	July 19	Same subject. The Japanese Chargé d'Affaires formally states that his Government would regret anti-American demonstrations at the welcome to be given the Japanese minister. Mr. O'Shaughnessy has shown the foreign office the inadvisability of countenancing such agitation.	814
354	Same to same (telegram)...	July 22	Same subject. He did not attend the demonstration in honor of the Japanese minister, which was really a demonstration against the United States.	814
2015	Same to same	...do....	Same subject. Incloses the foreign office's reply to his note of July 12, copy of which was inclosed in his 2007 of July 15.	814
	Mr. Edwards to Mr. Bryan (telegram).	...do....	Same subject. Constitutionalists under Pancho Villa and Toribio Ortega are preparing to attack Juarez.	816

MEXICO—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
2017	Mr. O'Shaughnessy to Mr. Bryan.	July 26	Same subject. Incloses a communication signed by Emiliano Zapata and other leaders of the Morelos revolution. It is a message from "The Revolutionary Junta of the South and Center of the Republic" directed to the United States Government, expressing gratitude for this Government's refusal to recognize Huerta.	816
	Mr. Bryan to Mr. O'Shaughnessy (telegram).	Aug. 4	Same subject. Quotes statement made public in regard to acceptance of the resignation of Ambassador Wilson, and sending to Mexico of Ex-Governor John Lind, of Minnesota, as the President's personal representative. "When the President is ready to communicate with the Mexican authorties as to restoration of peace he will make public his views."	817
387	Mr. O'Shaughnessy to Mr. Bryan (telegram).	Aug. 5	Same subject. Refers to department's Aug. 4. Requests instructions to deny the report that Mr. Lind will insist on Huerta's resignation, which if published would thwart the mission and be dangerous to both Mr. Lind and other Americans.	818
333	Mr. Bryan to Mr. O'Shaughnessy (telegram).	Aug. 6	Same subject. Replies to his Aug. 5. Governor Lind's mission is one of peace; the Mexican Government should not give weight to sensational newspaper misrepresentations.	818
397	Mr. O'Shaughnessy to Mr. Bryan (telegram).	...do....	Same subject. Department's Aug. 6 was in substance given to the foreign office. Both the President and the minister were pleased with it.	819
	Mr. Edwards to Mr. Bryan (telegram).	...do....	Protection of foreigners in Mexico by the United States. Refers to department's July 17, and suggests financial aid in bringing the Chinese from Pearson to El Paso.	919
2033	Same to same.....	Aug. 7	Political affairs. Incloses a note of Aug. 6 from the foreign office saying that if Mr. Lind "does not properly establish his official character or if he is not the bearer of the recognition of this Government by yours his sojourn in this Republic will not be pleasing."	819
	Mr. Bryan to certain diplomatic officers (telegram).	Aug. 8	Same subject. "The statement of the Mexican foreign office was based on newspaper misrepresentations for which this Government is not responsible. In sending Governor Lind as advisor to the embassy the President is entirely within his rights, and this department will not assume that his going will be regarded as unfriendly when the character of his mission is understood."	819
	Mr. Bryan to the principal consular officers in Mexico (telegram).	...do....	Protection of American life and property in Mexico. Refers to department's Nov. 25, 1912; instructs to bring the reports, there referred to, down to Aug. 20; and to revise the reports made in response to department's June 4, 1913.	894
	Mr. Bryan to certain consular officers in Mexico. (telegram).	Aug. 9	Same subject. Instruction to forward immediately the report called for on Apr. 23.	894
	Mr. Bryan to the principal American consular officers in Mexico.	Aug. 16	Same subject. Confirms his Aug. 8 and gives further instructions for revision of reports.	895
	Mr. Maytorena to Mr. Bryan (telegram).	Aug. 20	Political affairs. Denounces Huerta. If the United States will waive embargo on arms and ammunition the Mexican people will soon end the war. As governor of Sonora he makes the foregoing suggestion and adds that all rebels recognize the governor of Coahuila, Carranza, as their supreme chief.	820
	Mr. Bryan to Mr. Wilson (telegram).	Aug. 25	Revolutionary claims. Asks status of claims of foreign governments against Mexico.	950
	Mr. Bryan to Mr. O'Shaughnessy (telegram).	Aug. 27	Political affairs. Transmits the full text of the President's message to Congress delivered Aug. 27, embodying the President's instructions to Mr. Lind, and accompanied by the reply of the foreign office to Mr. Lind's presentation of the proposals of this Government, together with the department's instructions to American consuls in Mexico.	820
	Mr. Bryan to Mr. Shanklin.	...do....	Same subject. Instructs the consul general to repeat to all consulates (except certain ones otherwise instructed) in Mexico the portion of the President's message (quoting it) which announces the policy he will pursue.	827

MEXICO—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Bryan to the American consular officers in Mexico (telegram).	Aug. 27	Protection of American life and property in Mexico. Transmits the President's notice to Americans and warning to Mexican authorities, with instructions to make them known. The notice urges Americans to leave Mexico at once and assures them of this Government's aid in doing so. The warning holds all Mexican civil and military officials strictly responsible for any harm done by them or their agents to Americans or their property.	895
	Mr. Bryan to certain diplomatic officers of the United States (telegram).	Aug. 28	Political affairs. Transmits the President's message except the previously sent instructions to Mr. Lind. Instructs to express to the foreign office the President's appreciation of the friendly attitude of the Government to which each of them is accredited toward the representations of this Government to that of Mexico.	828
	Mr. Scholle to Mr. Bryan (telegram).	Aug. 29	Same subject. Refers to Department's Aug. 28, 2 p. m. Spain limits its response to "an ardent wish that the understanding between the Republics may be of a character most favorable to the general interest of the two countries."	829
	Mr. C. S. Wilson to Mr. Bryan (telegram).	Aug. 30	Same subject. Department's Aug. 28, 2 p. m. has been transmitted to the foreign office. Transmits response of the Russian Government to the embassy's communication on Mexican affairs. Russia, having recognized Huerta as Provisional President, can not advise him to renounce his candidacy; nor can she formally support the proposed good offices of the United States, since no request therefor has been made by Mexico.	829
471	Mr. Wilson to Mr. Bryan (telegram).	Sept. 1	Revolutionary claims. Answers Department's Aug. 25.	950
327	Mr. Heimke to Mr. Bryan..	Sept. 2	Political affairs. Refers to Department's Aug. 28, 2 p. m. Incloses note from foreign office of Salvador expressing its moral support of the attitude of this Government as to Mexico.	829
1002	Mr. Williams to Mr. Bryan.	Sept. 10	Protection of foreigners in Mexico by the United States. Incloses an expression of thanks of the Chinese Government for protection given Chinese subjects in Mexico by the United States.	919
492	Mr. O'Shaughnessy to Mr. Bryan (telegram).	Sept. 15	Political affairs. Transmits the most salient passages of the presidential message to be delivered on Sept. 16. Comments thereon.	830
497	Same to same (telegram)...	Sept. 17	Same subject. General Felix Diaz has been ordered to return to Mexico. Reports of anti-American feeling much exaggerated.	831
2060	Same to same.....	...do....	Message of the Provisional President. Transmits message read to the Congress Sept. 16, by General Huerta.	691
	Mr. Osborne to Mr. Chang..	Sept. 19	Protection of foreigners in Mexico by the United States. The consul at Durango having reported cases of suffering among Chinese there, the Department offers to instruct the consul as the Chinese Legation may desire.	920
472	Mr. Grevstad to Mr. Bryan.	...do....	Political affairs. Reports the President of Uruguay heartily in sympathy with the President's sentiments pan-American policy as expressed in his message to Congress of Aug. 27, 1913. Incloses expression of similar nature from a Montevideo newspaper.	831
2072	Mr. O'Shaughnessy to Mr. Bryan.	Sept. 22	Same subject. Transmits two notes from the foreign office to Mr. Lind dated Aug. 26 and Sept. 16.	832
	Mr. Chang to Mr. Bryan...	Sept. 23	Protection of foreigners in Mexico by the United States. Refers to Department's Sept. 19 and requests that the consul at Durango be instructed to render necessary aid to destitute Chinese and charge the outlay to the Chinese Legation.	920
2081	Mr. O'Shaughnessy to Mr. Bryan.	...do....	Revolutionary claims. Report of a meeting of certain foreign representatives with Sub-Secretary of State Pereyra.	951
	Mr. Moore to Mr. W. B. Wilson.	...do....	Protection of foreigners in Mexico by the United States. Informs the Secretary of Labor of a request for transportation of Chinese refugees through United States territory en route to Ciudad Juarez; requests cooperation.	921
538	Mr. O'Shaughnessy to Mr. Bryan (telegram).	...do....	Political affairs. Confirms capture of Torreon by the Carranza forces. Requests sending of more war vessels.	835
542	Same to same (telegram)...	Oct. 10	Same subject. Transmits text of a resolution of the Mexican Chamber of Deputies relating to the disappearance of Senator Belisario Dominguez.	836

MEXICO—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
542	Mr. O'Shaughnessy to Mr. Bryan (telegram).	Oct. 11	Same subject. Senator Dominguez delivered an anti-Huerta speech in the Senate on Sept. 23. He has disappeared and rumor reports him dead. The Chamber of Deputies on Oct. 10 passed resolutions of inquiry as to his disappearance. On Oct. 11, the Chamber refusing to reconsider the resolutions, 110 deputies were arrested and sent to the penitentiary, and Congress was dissolved. General Huerta says the elections will take place.	836
545	Same to same	...do...	Same subject. The minister for foreign affairs today informed the diplomatic corps that while his Government knew the dissolving of the Chamber of Deputies to be unconstitutional it was nevertheless necessary; that elections would be held and the new chamber would assemble Nov. 15. Mr. O'Shaughnessy and the Spanish minister were given assurances of the safety of the 84 imprisoned deputies at the penitentiary. "Huerta may now be considered an absolute military dictator."	836
546	Same to same	...do...	Same subject. The Huerta administration has no financial plans at present, according to Huerta's secretary.	837
	Mr. Moore to Mr. Chang	...do...	Protection of foreigners in Mexico by the United States. Reports to the Chinese Legation that the Department of Labor superintended the transportation of the Chinese refugees through United States territory to Ciudad Juarez.	921
547	Mr. O'Shaughnessy to Mr. Bryan (telegram).	Oct. 12	Political affairs. In view of what has already occurred he fears for the safety of the imprisoned deputies, the wives and mothers of about 25 of whom have implored him to use his good offices in their behalf. Instructions requested.	837
	Mr. Bryan to Mr. O'Shaughnessy (telegram).	...do...	Same subject. Instructs immediately to see the minister of foreign affairs and have him state to Huerta that any violence done to legislators would shock the civilized world and this neighboring Government could not be indifferent to execution of officials.	837
548	Mr. O'Shaughnessy to Mr. Bryan (telegram).	...do...	Same subject. Huerta says no violence will be done legislators but they must be tried for sedition and treason.	838
491	Mr. Bryan to Mr. O'Shaughnessy (telegram).	Oct. 13	Same subject. Instructs him textually to deliver at once to the foreign office the message that the President is shocked by Huerta's course in dissolving Congress and imprisoning deputies, which he finds impossible to regard otherwise than as an act of bad faith toward the United States. It is not only a violation of constitutional guaranties but it destroys all possibility of fair elections. Elections under present conditions could not be regarded as expressing the will of the people and the President would not be justified in accepting their result or in recognizing a president so chosen.	838
549	Mr. O'Shaughnessy to Mr. Bryan.	...do...	Same subject. Huerta by decree assumes legislative functions; judiciary allowed to stand if not in conflict with executive. Text of decree. The exemption of deputies from arrest has been set aside by decree. Text of decree.	838
553	Same to same (telegram)	Oct. 14	Same subject. Summary of decree setting aside the electoral law.	839
2093	Same to same	...do...	Same subject. Incloses clipping from Mexican Herald of Oct. 11 relating to the dissolution of Congress.	840
	Mr. Bryan to Mr. O'Shaughnessy (telegram).	...do...	Same subject. Repeats to certain diplomatic officers the telegrams of Oct. 12, midnight, and Oct. 13, noon, to the Embassy at Mexico City, with instruction to communicate them to the foreign office and report any comment made thereon.	841
	Mr. Phillips to Mr. Bryan (telegram).	...do...	Protection of foreigners in Mexico by the United States. Chinese at Guaymas desire protection against commercial discrimination and ask the Consul's protection.	922
	Mr. Bryan to Mr. Phillips (telegram).	...do...	Same subject. Refers to his Oct. 14, and instructs him to urge appropriate authorities to give the Chinese every reasonable protection.	922
1447	Mr. Bryan to Mr. O'Shaughnessy.	Oct. 15	Revolutionary claims. Acknowledges his No. 2081 of Oct. 1.	954
	Mr. Price to Mr. Bryan (telegram).	Oct. 16	Political affairs. The President of Panama cordially indorses the attitude of the United States as expressed in Department's Oct. 14, 7 p. m.	841

MEXICO—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
331	Mr. Hinckley to Mr. Bryan.	Oct. 17	Same subject. Refers to Department's Oct. 14, 7 p. m. The Government of Salvador approves the Mexican policy of the United States.	842
	Mr. Gerard to Mr. Bryan (telegram).	...do....	Same subject. Refers to Department's Oct. 14, 7 p. m. Germany favors recognition of Huerta by the United States.	842
	Mr. Wilson to Mr. Bryan (telegram).	...do....	Same subject. Refers to Department's Oct. 14, 7 p. m. Russia will urge Mexico to accept the advice of the United States in a conciliatory spirit.	842
	Same to same (telegram)...	Oct. 18	Same subject. Same purport as the foregoing.	843
8	Mr. Price to Mr. Bryan....	...do....	Same subject. Same purport as his telegram of Oct. 16.	843
4	Mr. Schmedeman to Mr. Bryan.	...do....	Same subject. Refers to Department's Oct. 14, 7 p. m. The attitude of Norway is in keeping with her settled course in lending the United States her moral support in our dealings with Mexico.	843
	Mr. Wilson to Mr. Bryan (telegram).	...do....	Same subject. Reply to Department's Oct. 14, 7 p. m. The President of Guatemala believes Huerta to be unbalanced; Guatemala is in sympathy with the action of the United States.	844
564	Mr. O'Shaughnessy to Mr. Bryan (telegram).	...do....	Protection of foreigners in Mexico by the United States. Reports request of German minister to urge this Government to protect 40 Germans detained by Villa at Torreon.	898
	Mr. Bryan to Mr. O'Shaughnessy (telegram).	Oct. 19	Same subject. Refers to his Oct. 18. The Consular Agent at Torreon has been instructed to inform rebel authorities that all foreigners should be permitted to depart unmolested.	899
2099	Mr. O'Shaughnessy to Mr. Bryan.	Oct. 20	Same subject. Transmits letters from the Spanish Minister relating to anti-Spanish violence by Carrancistas including murder of nine Spaniards.	900
571	Same to same (telegram)...	...do....	Political affairs. Text of executive order by Huerta raising the tariff 50 per cent.	844
2100	Same to same.....	...do....	Same subject. Transmits full text of the speech of Senator Belisario Dominguez, urging the Senate to depose Huerta, delivered Sept. 23, a few days before his disappearance.	844
78	Mr. Page to Mr. Bryan (telegram).	Oct. 21	Same subject. The British Government will wait till the elections of Oct. 26 before deciding on recognition. The Ambassador reports the substance of his explanation to Sir Edward Grey of the policy of this Government. Sir Edward's comment.	846
	Mr. Garrett to Mr. Bryan (telegram).		Same subject. Replies to Department's Oct. 14, 7 p. m. Argentina's Acting President refrains from comment, but expresses sympathy in the difficult situation.	847
255	Mr. Morgan to Mr. Bryan..	Oct. 22	Same subject. Refers to Department's Oct. 14, 7 p. m. Brazil intends to act in full accord with the United States.	847
	Mr. Harvey to Mr. Bryan (telegram).	...do....	Same subject. Reply to department's Oct. 14, 7 p. m. Chile coincides with Brazil's attitude.	847
	Mr. Marburg to Mr. Bryan (telegram).	...do....	Same subject. Reply to Department's Oct. 14, 7 p. m. Belgium is prevented by traditional policy from comment thereon.	848
	Mr. Page to Mr. Bryan (telegram).	...do....	Same subject. Reply to Department's Oct. 14, 7 p. m. Italy is endeavoring to ascertain the attitude of other European powers.	848
576	Mr. O'Shaughnessy to Mr. Bryan (telegram).	Oct. 23	Same subject. Reports reception of the Diplomatic Corps by Huerta and substance of Huerta's statement concluding with a request that the several Governments be informed that he would not be a presidential candidate. Same statement later made informally to Mr. O'Shaughnessy.	848
17	Mr. Penfield to Mr. Bryan..	...do....	Same subject. Refers to Department's Oct. 14, 7 p. m. Austria-Hungary is not inclined to probe too deeply into the methods by which Latin American chief executives attain office and will probably recognize whoever in Mexico establishes himself in power.	849
	Mr. Bryan to certain diplomatic officers (telegram).	Oct. 24	Same subject. Instructs the Embassies at Vienna, Paris, Berlin, London, Rome, St. Petersburg and Madrid to say to the Foreign Office that this Government will soon make certain representations as to Mexico and meantime it is requested that no action be taken toward recognizing a Government there.	849
84	Mr. Page to Mr. Bryan (telegram).	...do....	Same subject. Refers to Department's Oct. 24, 6 p. m. Asks whether the Department would favor authorizing him to request the British Government as an act of friendship, to refrain from recognizing any one claiming to be elected President of Mexico at the elections of Oct. 26 until this Government has had a reasonable time to consider its course.	849

MEXICO—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Herrick to Mr. Bryan (telegram).	Oct. 25	Same subject. Refers to Department's Oct. 24, 6 p. m. French Foreign Office reticent. Indications point to a concert of European Powers on the question.	850
582	Mr. O'Shaughnessy to Mr. Bryan (telegram).	..do....	Same subject. General Diaz remains at Vera Cruz, probably as a campaign ruse. Mr. O'Shaughnessy has in his possession an alleged private instruction from Huerta to the Governor of Puebla regarding the procedure at the elections. Reports widespread belief that only armed intervention by the United States can save Mexico.	850
584	Same to same (telegram)....	Oct. 26	Same subject. The elections occurred without violence; public apathetic; vote very small. Huerta will remain in power until he and the new Congress decide on a date for elections. He hopes the opposition of the United States will rally Mexicans around him.	850
	Mr. Gerard to Mr. Bryan (telegram).	...do....	Same subject. Refers to Department's Oct. 24, 6 p. m. Germany will wait as requested.	851
587	Mr. O'Shaughnessy to Mr. Bryan (telegram).	Oct. 27	Same subject. Believes the document referred to in the foregoing is authentic, and at any rate it is an expression of Huerta's ideas and may be taken as a basis for action.	851
	Mr. Page to Mr. Bryan (telegram).	...do....	Same subject. Reply to Department's Oct. 24, 6 p. m. The British Government will await the President's further announcement before taking action.	851
	Mr. Bryan to Mr. Page (telegram).	...do....	Same subject. The Ambassador's Oct. 24, 8 p. m. is sufficiently covered for the present by his Oct. 27, 2 p. m.	851
	Mr. C. S. Wilson to Mr. Bryan (telegram).	...do....	Same subject. Reply to Department's Oct. 24, 6 p. m. Russia will take no step until after consultation and agreement with other powers. Remarks by the Minister for Foreign Affairs.	851
	Mr. Guthrie to Mr. Bryan (telegram).	...do....	Same subject. Reply to Department's Oct. 24, 6 p. m. Japan would like to receive a statement of the position of the United States.	852
94	Mr. Page to Mr. Bryan (telegram).	Oct. 28	Same subject. Refers to Department's Oct. 24, 6 p. m. Records a conversation with Sir Edward Grey, who said he was glad to await the President's communication therein promised.	852
21	Mr. Penfield to Mr. Bryan..	...do....	Same subject. Refers to Department's Oct. 24, 6 p. m. Austria-Hungary will probably follow the lead of other European powers. Comparison made between the United States and Mexico and Austria-Hungary and Serbia.	853
2113	Mr. O'Shaughnessy to Mr. Bryan.	...do....	Same subject. Refers to his telegrams 582 and 587 and incloses the document referred to.	853
	Mr. Bryan to Mr. Daniels..	...do....	Same subject. Advises the Secretary of the Navy that in receiving General Felix Diaz on board the U. S. S. Wheeling at Vera Cruz, it should be understood that he can be offered only temporary refuge and must not use the ship as a base for political activity.	854
	Mr. Hanna to Mr. Bryan (telegram).	Oct. 28	Protection of foreigners in Mexico by the United States. Requests that Chinese Legation be informed of distress of Chinese at Monterey to whom the Consul General is supplying food.	922
589	Mr. Hostetter to Mr. Bryan	...do....	Revolutionary claims. Incloses documents handed to him by General Carranza showing the policy of the Constitutionalists in regard to foreigners and their property seized or purchased.	954
	Mr. Page to Mr. Bryan (telegram).	Oct. 29	Political affairs. Reply to Department's Oct. 24, 6 p. m. Italy will cooperate as far as possible with the United States.	855
	Mr. Moore to Mr. von Meyer.	Oct. 31	Protection of foreigners in Mexico by the United States. Refers to protection offered French citizens at Santa Rosalia.	914
	Mr. Bryan to Mr. Hanna...	Nov. 3	Same subject. Instructs him to give necessary assistance to Chinese mentioned in his Oct. 28, keeping account thereof for charge to Chinese Legation.	922
	Mr. Herrick to Mr. Bryan (telegram).	Nov. 4	Political affairs. Ex-President Porfirio Díaz denies interview as to his alleged intention to return to Mexico; says he advised Huerta to subordinate self to country.	855
	Mr. Bryan to Mr. Hostetter (telegram).	Nov. 5	Protection of foreigners in Mexico by the United States. Quotes Mr. O'Shaughnessy's No. 2099 of Oct. 20 and instructs to say to Carranza that he is expected to order adequate punishment of authors of the outrages mentioned and prevent repetition of violence to foreigners.	901

MEXICO—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Escudero to Mr. Bryan (telegram).	Nov. 6	Political affairs. Notification of appointment of R. V. Pesqueira as Confidential Agent of the Constitutionalist Government at Washington.	856
	Mr. Bryan to certain diplomatic officers of the United States (telegram).	Nov. 7	Same subject. Instructs each of them to say to the Government to which he is accredited that while the President can not yet announce in detail his Mexican policy, it is his immediate duty, he feels, to require Huerta's retirement from the Mexican Government; the United States must now employ the necessary means to secure that result. This Government will not regard as binding upon the Mexican people anything done by Huerta since his assumption of dictatorial powers nor anything that may be done by the fraudulent Legislature, which he is about to convoke. The President hopes that the Government to which the diplomatic officer receiving this instruction is accredited will see fit to use its influence to impress upon Huerta the wisdom of retiring in the interests of peace and constitutional government.	856
	Mr. Nelson Page to Mr. Bryan (telegram).	Nov. 8	Same subject. Refers to Department's Oct. 24, 6 p. m. Italy purposes exchanging views with the United States before adopting a line of action regarding Mexico, but the United States should bear in mind the fact that Italy recognized Huerta on July 16 as temporary president.	856
	Same to same (telegram)...	...do....	Same subject. Refers to Department's Nov. 7, 10 p. m. Declines to make public expression of sympathy with the United States policy.	857
	Mr. W. H. Page to Mr. Bryan (telegram).	...do....	Same subject. Refers to Department's Nov. 7, 10 p. m., and reports interview with Sir Edward Grey.	857
	Mr. Gerard to Mr. Bryan (telegram).	...do....	Same subject. Refers to Department's Nov. 7, 10 p. m. Reports evasive answer of German Government.	858
	Mr. Morgan to Mr. Bryan (telegram).	Nov. 9	Same subject. Refers to Department's Nov. 7, 10 p. m. Brazil will instruct as the United States requests.	858
	Mr. Schmedeman to Mr. Bryan (telegram).	Nov. 10	Same subject. Refers to Department's Nov. 7, 10 p. m. Norway will instruct to impress upon Huerta the wisdom of retiring.	858
611	Mr. O'Shaughnessy to Mr. Bryan (telegram).	...do....	Same subject. Requests instructions in view of assembling of Congress on the 15th, usually attended by the Diplomatic Corps.	858
1462	Mr. Moore to Mr. O'Shaughnessy.	...do....	Protection of foreigners in Mexico by the United States. Refers to his 2099 of Oct. 20 and instructs him to say to the Spanish Minister that instructions have been issued to seek protection of Spanish subjects in Mexico, and punishment of the outrages mentioned.	901
422	Mr. Harvey to Mr. Bryan..	Nov. 11	Political affairs. Refers to Department's Nov. 7, 10 p. m. Chile, Argentina, and Brazil will endorse and sustain the position of the United States toward Huerta.	859
	Mr. Guthrie to Mr. Bryan (telegram).	...do....	Same subject. Refers to Department's Nov. 7, 10 p. m., which was communicated to the Japanese Government. Japan is supplying Mexico with arms.	859
	Mr. H. R. Wilson to Mr. Bryan (telegram).	...do....	Same subject. Refers to Department's Nov. 7, 10 p. m. Guatemala will act in harmony with the United States.	859
	Mr. Page to Mr. Bryan (telegram).	...do....	Same subject. Refers to Department's Nov. 7, 10 p. m. The British Government will not take the initiative in regard to Huerta but if Huerta shows expectation of British support he will be told that he can not have it.	860
101	Same to same (telegram)...	Nov. 13	Same subject. Confirms his telegram of Nov. 11.....	860
	Mr. Price to Mr. Bryan (telegram).	...do....	Same subject. Refers to Department's Nov. 7, 10 p. m. Panama sympathizes with the efforts of the United States in regard to Huerta.	861
337	Mr. Hinckley to Mr. Bryan.	Nov. 14	Same subject. Refers to Department's Nov. 7, 10 p. m. Salvador will use its influence to impress upon Huerta the wisdom of retiring.	861
	Mr. Willard to Mr. Bryan (telegram).	Nov. 18	Same subject. Refers to Department's Nov. 7, 10 p. m. Spain is still considering the matter.	862
	Mr. Moore to Mr. O'Shaughnessy.	Nov. 20	Protection of foreigners in Mexico by the United States. Acknowledges his transmission of the French minister's thanks for this Government's aid to French citizens at El Boleo.	914
280	Mr. Wright to Mr. Bryan	Nov. 21	Political affairs. Transmits editorials from two Rio de Janeiro papers endorsing the policy of the United States towards Huerta.	862

MEXICO—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Edwards to Mr. Bryan (telegram).	Nov. 23	Protection of foreigners in Mexico by the United States. Chihuahua will probably fall into rebel hands without battle.	899
	Mr. O'Shaughnessy to Mr. Bryan (telegram).	Nov. 26	Same subject. Transmits request of Japanese minister for this Government's protection of Japanese at Pacific coast points.	915
69	Mexican Embassy to Department of State.	...do....	Prohibition of shipment of arms, etc. Memorandum transmitting allegations of breaches of the neutrality laws by United States officers at Naco, Ariz.	881
	Mr. Gerard to Mr. Bryan (telegram).	Nov. 27	Political affairs. The Ambassador believes Germany may be persuaded to withdraw its recognition of Huerta.	863
	Mr. Hale to Mr. Bryan.....	Nov. 28	Same subject. Refers to Department's Nov. 7, 10 p. m. The Government of Costa Rica has not yet replied to his letter in regard thereto.	863
	Mr. Osborne to Mr. Edwards (telegram).	Nov. 29	Protection of foreigners. Refers to his Nov. 23 and instructs him to show to Villa the importance of protecting all foreigners in the territory under his control.	899
	Mr. Bryan to Mr. O'Shaughnessy (telegram).	...do.....	Same subject. Refers to his Nov. 26 and instructs him to say to the Japanese minister that United States war vessels will protect foreigners at ports where located.	915
	Mr. Letcher to Mr. Bryan (telegram).	Nov. 30	Political affairs. Francisco Villa's Constitutionalist forces defeat Federals and take Chihuahua, garrisoned until occupation by 200 Federals in whose behalf the Consul will use his good offices.	864
10	Mr. Schmedeman to Mr. Bryan.	Dec. 1	Political affairs. Refers to Department's Oct. 24, 6 p. m. The minister believes Norway will continue to give the United States the same moral support as in the past.	864
	Mr. Bryan to certain diplomatic officers (telegram).	Dec. 2	Same subject. Transmits extracts from the President's annual message relating to Mexico. ("We shall not, I believe, be obliged to alter our policy of watchful waiting.")	864
661	Mr. O'Shaughnessy to Mr. Bryan (telegram).	...do....	Same subject. The British Admiral, Craddock, was formally received by Huerta.	865
	Same to same.....	Dec. 3	Prohibition of shipment of arms, etc. Memorandum transmitting allegations of breaches of the neutrality laws by United States officers at El Paso, Tex.	882
218	Mr. Bryan to Mr. Riaño...	Dec. 6	Protection of foreigners in Mexico by the United States. Informs him of instructions sent to Chihuahua to protect Spaniards in that district.	901
39	Mr. Price to Mr. Bryan....	...do....	Political affairs. Refers to department's Nov. 7, 10 p. m. Panama believes the United States is right in its Mexican policy.	865
670	Mr. O'Shaughnessy to Mr. Bryan (telegram).	Dec. 8	Same subject. The newspapers report that the Italian minister will soon arrive to take up his official duties, which is even more regrettable than the reception of the British admiral. Comments on the situation.	865
	Mr. Bryan to Mr. Carothers.	Dec. 9	Protection of foreigners in Mexico by the United States. Instruction to go to Chihuahua, see Villa, and urge on him the proper respect for foreign interests.	902
675	Mr. O'Shaughnessy to Mr. Bryan (telegram).	Dec. 10	Political affairs. Transmits text of congressional session of Dec. 9; the Grand Committee submits a bill nullifying the elections of Oct. 26; convokes the people to extraordinary elections in July, 1914, and continues Huerta as "Constitutional President ad interim."	866
2138	Mr. O'Shaughnessy to Mr. Bryan.	...do....	Revolutionary claims. The French and Russian Governments have refused to accept the Mexican proposal of July 22 for settlement of revolutionary claims.	956
	Mr. Letcher to Mr. Bryan (telegram).	Dec. 11	Protection of foreigners in Mexico by the United States. Recommends request to Red Cross for financial aid for Spaniards about to leave Mexico for El Paso.	902
	Mr. Willard to Mr. Bryan (telegram).	Dec. 12	Same subject. Quotes requests of Spanish minister for foreign affairs for protection of Spanish subjects in Mexico.	902
	Mr. Bryan to Mr. Letcher (telegram).	...do....	Same subject. Instruction to represent to Villa the necessity for proper treatment of Spaniards in Mexico.	904
	Mr. Riaño to Mr. Moore...	...do....	Same subject. Informs him of imminent danger of Spaniards in Chihuahua and requests action by this Government in their behalf.	903

MEXICO—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Same to same	Dec. 12	Same subject. Confirms the foregoing and repeats the request.	903
	Mr. Moore to Mr. Riaño	Dec. 13	Same subject. Refers to his two letters of Dec. 12; the department will spare no effort to secure protection of his countrymen.	904
	Mr. Bryan to Mr. Willard (telegram).	...do	Same subject. Refers to his Dec. 12. Department is sending a special consular agent to see Villa and reinforce efforts of consul at Chihuahua in behalf of the Spaniards.	905
	Mr. Garrison to Mr. Bryan (telegram).	...do	Same subject. Quotes General Scott concerning condition of Spanish refugees.	905
	Mr. Riaño to Mr. Bryan	...do	Same subject. Transmits thanks of Spanish Government for measures taken by the United States in behalf of Spaniards in Chihuahua, and suggests issuing similar instructions to other consuls in disturbed territory.	905
	Mr. Bryan to Mr. Carothers (telegram).	...do	Same subject. Instruction to proceed to Chihuahua, see Villa and reinforce the instructions to Consul Letcher relating to Spanish refugees.	906
	Mr. Riaño to Mr. Moore	Dec. 14	Same subject. Expresses the thanks of the Spanish Government for the aid given the Spanish refugees from Chihuahua at El Paso by this Government, the Red Cross and the El Paso people. Requests further protection for Spanish interests in Chihuahua.	906
	Mr. O'Shaughnessy to Mr. Bryan (telegram).	Dec. 15	Same subject. Transmits the thanks of the Spanish minister to the various authorities at El Paso for aid to Spanish refugees.	907
	Mr. Bryan to Mr. Carothers (telegram).	...do	Same subject. Instruction to use his good offices with Villa in behalf of Spaniards reported to be in danger from rebel authorities.	907
	Mr. Bryan to Mr. Letcher (telegram).	...do	Same subject. Instruction to do everything possible to protect all foreign interests and report particularly as to Spaniards.	907
685	Mr. O'Shaughnessy to Mr. Bryan (telegram).	...do	Political affairs. The Mexican Congress adjourns until Apr. 14, 1914, having given Huerta extraordinary powers as to finances, army and police.	866
	Same to same	...do	Prohibition of shipment of arms, etc. Memorandum transmitting allegations of breaches of the neutrality laws by United States officers at Del Rio and Brownsville, Tex.	883
	Mr. Grevstad to Mr. Bryan (telegram).	Dec. 16	Political affairs. Refers to department's Nov. 7, 10 p. m. Uruguay will not accord Huerta further recognition if reports show he has established a dictatorship.	866
262	Mr. Moore to Mr. Chang	...do	Protection of foreigners in Mexico by the United States. Chinese at Mazatlan have stored $500,000 worth of merchandise near American consulate and have asked the Consul's advice as to their personal safety. He has advised them to concentrate at the place of storage. The department so informs the Chinese Legation.	923
	Mr. Bryan to Mr. Letcher (telegram).	Dec. 17	Same subject. Same purport as his Dec. 15	908
222	Mr. Bryan to Mr. Riaño	Dec. 18	Same subject. Refers to his Dec. 13, and informs him that the desired instructions have been issued. (See next entry.)	908
51	Mr. Bryan to certain consular officers.	...do	Same subject. Instruction to extend all possible proper protection to the lives and properties of Spanish subjects in their districts and to all other foreign subjects there.	908
	Mr. Letcher to Mr. Bryan (telegram).	...do	Same subject. Reports his efforts in behalf of Spaniards, which were entirely futile. Gives Villa's reasons for his conduct toward Spaniards.	909
217	Mr. Bryan to Mr. Garrett	Dec. 19	Prohibition of shipment of arms, etc. Incloses a memorandum from the Mexican embassy dated Dec. 16, alleging action of the United States authorities at Laredo, Tex., prejudicial to the Mexican Federal army. Instructs to investigate and to inform the local authorities.	883
199	Mr. Bryan to Mr. Ellsworth	Dec. 20	Same subject. Incloses copy of Mexican Embassy's memorandum of Dec. 3 (ante) and instructs to bring to the attention of the local authorities.	884
	Mr. Moore to the consular officers in Mexico.	Dec. 26	Protection of American life and property in Mexico. Instruction to continue up to Jan. 1, 1914, the reports called for in the first paragraph of the instruction of Aug. 8.	896
	Mr. Carothers to Mr. Bryan (telegram).	Dec. 26	Protection of foreigners in Mexico by the United States. Reports interview with Villa.	909

MEXICO—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Moore to Mr. Carothers (telegram).	Dec. 27	Same subject. Instructions as to representations to be made to Villa.	909
	Mr. Moore to Mr. W. B. Wilson.	Dec. 29	Same subject. In relation to refuge of Japanese in the United States if forced out of Mexico, refers him to precedent in the instructions as to Chinese in 1912.	916
	Mr. Moore to Mr. Chinda	do	Same subject. Informs him of instructions to the consul at Chihuahua in regard to Japanese, and of conference with the Department of Labor as to temporary refuge of Japanese in the United States.	916
	Mr. Carothers to Mr. Bryan.	Dec. 31	Same subject. Report of interview with Villa	910

MOROCCO.

		1913.		
363	Mr. Blake to Mr. Knox	Feb. 18	Responsibility for the safety of foreigners. Reviews the correspondence on this subject and informs the department of the irresponsible attitude of the Moroccan Government and the opinion of the diplomatic corps. Requests instructions.	1011
370	Mr. Blake to Mr. Knox	Mar. 4	Same subject. Transmits the proposed letter on the subject to the Moroccan Government and points out a clause regarding which he desires instruction.	1014
113	Mr. Adee to Mr. Blake	Mar. 24	Same subject. Instructs him that this Government insists that American lives and property must be protected in conformity with treaty rights, and that the establishment of the French Protectorate would indicate French responsibility.	1015
	Mr. Adee to Mr. Blake (telegram).	Mar. 26	Same subject. Suggests an amendment to the letter.	1015
401	Mr. Blake to Mr. Bryan	June 30	Same subject. Amendment suggested by the department adopted by the diplomatic corps.	1016

NETHERLANDS.

		1913.		
103	Mr. Mahin to Mr. Bryan	July 10	Misuse of the American Flag. Reports use of the flag for advertising purposes in Amsterdam.	1017
62	Mr. Bryan to Mr. Van Dyke.	Aug. 9	Same subject. Transmits a copy of the consul's report and instructs to bring the matter to the attention of the foreign office with request to prohibit if possible such misuse of the flag.	1018
166	Mr. Bryce to Mr. Bryan	Sept. 3	Dedication of the Palace of Peace at The Hague. Description of the ceremonies, Aug. 28, 1913.	1017
6	Mr. Van Dyke to Mr. Bryan.	Nov. 1	Misuse of the American Flag. The Government has suggested to the Amsterdam authorities withdrawal of the flag from advertising use and that the persons involved have voluntarily complied with the request of the authorities.	1018

NICARAGUA.

			Financial affairs. Editors' note	1034
		1913.		
	Mr. Wilson to Mr. Weitzel (telegram).	Jan. 31	Same subject. The President of Nicaragua having received an offer of financial backing, wishes to know whether the New York bankers will accept immediate liquidation of the existing loan, thereby releasing all guaranties except the option on 51 per cent of the railroad, which does not expire until March. The minister is instructed to express to the President the surprise of this Government at this proposition, since the financial condition of Nicaragua makes liquidation impossible except under exceedingly onerous obligations; the United States can not favor any present alteration of Nicaragua's financial system unless it had examined and approved the alteration.	1034

NICARAGUA—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Weitzel to Mr. Knox (telegram).	Feb. 2	Same subject. Refers to Department's Jan. 31. As the bankers will neither advance another dollar nor entertain a new proposition pending the change of administration at Washington, the situation is serious for Nicaragua. Further details of the financial crisis.	1035
	Mr. Knox to Mr. Weitzel (telegram).	Feb. 4	Same subject. Refers to his Feb. 2. There is no reason to believe the change of administration in the United States will affect this Government's Nicaraguan policy. The bankers declare they are taking steps to exercise their option on the 49 per cent of the railroad, but make no promises.	1036
	Mr. Weitzel to Mr. Knox (telegram).	...do....	Same subject. Refers to his own Feb. 2. Presents a proposition made by Nicaragua for the Department's consideration.	1036
	Same to same (telegram)...	Feb. 9	Same subject. Refers to Department's Feb. 4, and the proposal made by the bankers through Cole. Nicaragua thinks the bankers do not appreciate the great urgency of relief at once. Outline of a new plan offered by Nicaragua.	1037
	Mr. Knox to Mr. Weitzel (telegram).	Feb. 11	Same subject. Refers to his Feb. 4 and 9; the bankers are considering the plan outlined in the latter.	1037
	Mr. Weitzel to Mr. Knox (telegram).	Feb. 20	Same subject. An English syndicate offers to finance Nicaragua. The American bankers do not realize the urgency of the situation.	1037
	Mr. Knox to Mr. Weitzel (telegram).	Feb. 24	Same subject. Refers to his Feb. 20. The bankers have cabled a proposition to Mr. Cole and are anxious for the Assembly to act on the 49 per cent option on the railroad.	1038
	Mr. Weitzel to Mr. Knox (telegram).	Feb. 26	Same subject. Refers to Department's Feb. 24. The bankers have rejected all Nicaragua's proposals and ask further concessions; situation very embarrassing; details.	1038
	Mr. Knox to Mr. Weitzel (telegram).	Feb. 28	Same subject. Refers to his Feb. 26. The bankers have submitted a proposal; it is hoped Nicaragua will do nothing to cause loss of benefits already obtained.	1038
	Mr. Weitzel to Mr. Knox (telegram).	Mar. 2	Same subject. Refers to Department's Feb. 28. The Assembly refuses to authorize sale of the whole railroad; two courses are now open; outline thereof; remarks.	1038
	Mr. Knox to Mr. Weitzel (telegram).	Mar. 3	Same subject. Refers to his Mar. 2. The matter is being urgently presented to the bankers.	1039
	Mr. Bryan to Mr. Weitzel (telegram).	Mar. 5	Same subject. Refers to Department's Mar. 3. Transmits reply of the bankers to the contents thereof.	1039
	Editor's note.....	.....	Proposed interoceanic canal treaty. Reviews the negotiations between the United States and Nicaragua leading to the signing of a canal treaty on Feb. 8, 1913.	1021
	Mr. Calvo to Mr. Bryan....	Apr. 17	Same subject. Protest of the Government of Costa Rica against the canal treaty with Nicaragua.	1022
	Mr. Weitzel to Mr. Bryan (telegram).	Apr. 30	Same subject. Bundy Cole, manager of the National Bank, has gone to the United States to consult the bankers about Nicaragua's proposals for a new loan.	1039
		May 22	Same subject. A memorandum prepared in the department, reviewing the financial history of Nicaragua from the signing of the loan convention on June 6, 1911, and stating the policy of the United States toward Nicaraguan finances.	1040
	Mr. Jones to Mr. Bryan.....	May 27	Same subject. Transmits the statement by the President of Nicaragua that the failure of his representatives to secure financial relief is due to the disinclination of the department to define its attitude.	1042
	Mr. Chamorro to Mr. Bryan.	June 5	Same subject. Advises him that the response of Nicaragua to Costa Rica's protest against the canal treaty is ready; it explains that this treaty is not properly so called, but is rather an option dealing with the rights the United States might exercise in case of construction of a canal through Nicaragua. Requests the department's opinion of the protest of Costa Rica.	1023
	Mr. Bryan to Mr. Chamorro.	June 24	Same subject. Acknowledges his June 5 and says that this Government will take up the protest directly with Costa Rica.	1024
	Nicaraguan Legation to the Department of State.	July 15	Same subject. Nicaraguan statistics.....	1043
	Brown Bros. & Co. and Seligman & Co. to Mr. Bryan.	July 24	Same subject. Inclose a proposition made by the President of Nicaragua, June 30, 1913.	1045

NICARAGUA—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Bryan to Mr. Hitt and Mr. White (identic telegram).	Aug. 2	Same subject. Instructs the ministers to Guatemala and Honduras that in Costa Rica and Honduras public demonstrations against the canal treaty with Nicaragua have been reported; instructs them that they may, at an opportune time, say to the respective Presidents that the ministers of their countries at Washington are fully informed as to the treaty terms, which do not contemplate any change in the policy of this Government in regard to Central America.	1024
145	Mr. Bryan to Mr. Heimke..	Aug. 5	Same subject. Refers to a report by the minister that in Salvador there is hostility to the acquisition by the United States of a naval base on the Bay of Fonseca; the Government of Salvador fears no violence in that connection, but if Americans in Salvador should be threatened, the Government will give them every protection. Instruction to thank President Meléndez for this assurance.	1025
	Mr. Bryan to Mr. Jefferson (telegram).	Aug. 17	Financial affairs. Instructs him to send data showing Nicaragua's financial condition.	1046
	Mr. Bryan to Brown Bros. (telegram).	Aug. 20	Same subject. Requests statement of amount now owed by Nicaragua; terms on which the bankers would increase their loan; attitude toward relinquishing option on railroad.	1046
	Mr. Cuadra to Mr. Bryan...	Aug. 30	Same subject. Review of the financial condition of Nicaragua; statement of the desire of Nicaragua for a large loan; terms outlined; appeal to the department for its aid in negotiating such a loan.	1047
	Messrs. Cuadra and Chamorro to Mr. Bryan.	Sept. 1	Same subject. Presentation to the department of a proposed loan to be negotiated with Samuel Miller Jarvis, inclosing memorandum of the substance of the proposed contract with Jarvis, involving the liquidation of the debt to the New York bankers.	1050
	Brown Bros. and Seligman Co. to Mr. Bryan.	Sept. 4	Same subject. Incloses memorandum of proposed contract embodying suggestions of the department.	1052
	Mr. Osborne to Mr. Jefferson (telegram).	Sept. 13	Same subject. Instruction to learn whether the President of Nicaragua favors the sale of the 51 per cent at $1,000,000 of the railroad merely because of the existence of the option, which sum appears not enough.	1053
	Mr. Jefferson to Mr. Bryan (telegram).	Sept. 16	Same subject. Refers to the department's Sept. 13. The President says the option is worth more than $1,000,000, but the need for immediate funds is urgent and he wishes the bankers to exercise their option. The road is probably worth $3,000,000.	1053
	Mr. Bryan to Messrs. Brown Bros. and Seligman Co. (telegram).	Sept. 17	Same subject. Informs them that department sees no need for including the 49 per cent of railroad stock in the loan contract, a copy of which the department would like to see before signature.	1054
	Messrs. Brown Bros. and Seligman Co. to Mr. Bryan.	Sept. 19	Same subject. Refers to Department's Sept. 17. Impossible to eliminate the 49 per cent of railroad stock from the contract, but the parties have reached an understanding in regard thereto which it is trusted will meet Department's approval. The contract will be submitted for approval before signing.	1054
	Mr. Hale to Mr. Bryan (telegram).	...do....	Proposed interoceanic canal treaty. The minister has just learned that Salvador has invited Costa Rica, Guatemala, and Honduras to a meeting at San Salvador to consider and perhaps protest against acquisition by the United States of the Fonseca and Dulce stations. Costa Rica will not accept unless Nicaragua is invited also.	1025
	Mr. Bryan to Mr. Hale (telegram).	Sept. 20	Same subject. Replies to his Sept. 19, and instructs him to suggest, when opportunity offers, to the Government of Costa Rica that its acceptance of Salvador's invitation should be based not merely on the inclusion of Nicaragua therein, but upon Nicaragua's acceptance.	1026
	Mr. Bryan to Mr. Heimke (telegram).	Sept. 26	Same subject. Instructs him to say to the President of Salvador that this Government is pained to learn that Salvador questions the good faith of the United States, which has done nothing to justify the movement which it is reported Salvador is attempting to start.	1026
	Mr. Bryan to Mr. Jefferson (telegram).	Sept. 27	Same subject. Quotes the foregoing telegram to Mr. Heimke.	1026

NICARAGUA—Continued.

No.	From and to whom.	Date.	Subject.	Page.
	Mr. Hinckley to Mr. Bryan (telegram).	1913. Sept. 30	Same subject. Refers to Department's Sept. 26 to Mr. Heimke, which he has imparted to the President of Salvador, who says the invitation to the other Central American Governments did not refer to the canal treaty, and as the invitation was not well received by the other Governments, the matter is now closed. Further information as to purpose of the invitation.	1026
	Same to same	Oct. 2	Financial affairs. Refers to Department's Sept. 17. Submits the five agreements relating to the loan contract, which will not be signed until approved by the department.	1055
	Mr. Bryan to Mr. Cuadra	Oct. 6	Same subject. Suggests addition to the contract of a provision for paying $400,000 to the persons entitled to damages under awards of the Mixed Claims Commission.	1055
	Mr. Bryan to Messrs. Brown Bros. and Seligman Co.	...do	Same subject. Incloses the foregoing to Mr. Cuadra.	1056
	Same to same	...do	Same subject. The Secretary is pleased to note the bankers' disposition to omit from the loan contract the concession of the San Jorge–San Juan railroad.	1056
	Same to same	...do	Same subject. States that Nicaragua wishes the bankers to have 51 per cent each of the railroad and the bank, under a contract made in 1911. The Secretary refrains from comment.	1056
	Same to same	...do	Same subject. The Department approves the now perfected loan contract with Nicaragua, with certain reservations; attitude of this Government toward Nicaragua.	1056
	Mr. Chamorro to Mr. Bryan	Oct. 7	Same subject. Thanks of President Díaz for the good offices of the United States in the adjustment of the new loan.	1057
	Mr. Moore to Mr. Chamorro (telegram).	Oct. 8	Same subject. Acknowledgment of the foregoing	1057
	Brown Bros. & Co. and J. & W. Seligman & Co. to Mr. Bryan.	...do	Same subject. Reply to the first of the four letters of the Department dated Oct. 6. The Department's suggested provision is rejected by the minister of finance of Nicaragua, whose letter is inclosed.	1058
	Mr. Moore to Mr. Jefferson (telegram).	Oct. 10	Same subject. Quotes the letter of Oct. 6 to the finance minister of Nicaragua and instructs to say to the President of Nicaragua that in view of the Dawson Pact and the Nicaraguan decree of organization the Mixed Claims Commission's awards must be respected, and should be paid out of the new loan.	1059
	Mr. Cuadra to Mr. Bryan	...do	Same subject. Replies to Department's Oct. 6, that Nicaragua can not consider the suggested provision set forth therein.	1059
	Mr. Emilio Chamorro to Mr. Diego Chamorro (telegram).	...do	Proposed interoceanic canal treaty. Honduras and Guatemala have declined Salvador's renewed invitation to a conference on Nicaragua's problems. Nicaragua is preparing a note of protest to Salvodor.	1027
	Mr. Moore to Mr. Jefferson (telegram).	Oct. 11	Financial affairs. Refers to Department's Oct. 10. Instruction to say to the Government of Nicaragua that the bankers have agreed to set aside $400,000 of the new loan not to be drawn against pending arrangement with the department of the claims commission matter.	1060
	Mr. Jefferson to Mr. Bryan (telegram).	Oct. 13	Same subject. Refers to Department's Oct. 10 and Oct. 11. The President of Nicaragua declares it impossible to accede to the Department's suggestion relating to the $400,000, but agrees to use for the payment of claims commission awards any balance left after settlement of pressing administrative expenses.	1060
	Curtis, Mallet-Prevost and Colt to Mr. Bryan.	Oct. 18	Same subject. Refers to the letter of Oct. 2 from Brown Bros. and Seligman to the Department; and to the Department's reply thereto of Oct. 6. Incloses, by direction of the Nicaraguan Government, original counterparts of the five agreements pertaining to the new loan, which they have been holding in escrow.	1060
		Oct. 20	Same subject. Statement for the press prepared by the bankers and approved by the Department, giving an outline of the provisions of the agreements pertaining to the new loan.	1061
	Mr. Dueñas to Mr. Bryan	Oct. 21	Proposed interoceanic canal treaty. Protest of Salvador against the acquisition by the United States under the canal treaty, of the Fonseca naval station.	1027

NICARAGUA—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Bryan to Mr. Chamorro.	Oct. 27	Financial affairs. Incloses a copy of the fourth of the Department's four letters of Oct. 6 to the bankers, which clearly defines the Department's position in regard to the new loan.	1063
	Mr. Bryan to Brown Bros. & Co. and Seligman & Co. (telegram).	...do....	Same subject. The Department desires that $200,000 of the $400,000 set aside as agreed upon be now placed at Nicaragua's disposal, the remainder to be arranged for later.	1063
	Brown Bros. & Co. and Seligman & Co. to Mr. Bryan.	Oct. 29	Same subject. Refers to Department's Oct. 27 and reports compliance with its request; gives directions for collection of the $100,000 check under the arrangement therein referred to.	1064
	Mr. Chamorro to Mr. Bryan.	Oct. 31	Same subject. Refers to Department's Oct. 27 and expresses thanks for the good offices of the United States in regard to the loan.	1064
	Mr. Bryan to Brown Bros. & Co. and Seligman & Co.	Nov. 5	Same subject. Refers to their letter of Oct. 29; requests that the remaining $200,000 be placed at the disposal of Nicaragua.	1064
	Brown Bros. & Co. and Seligman & Co. to Mr. Long.	Nov. 24	Same subject. Incloses statement given to the press Nov. 20, with reference to the gold reserve for redemption of Nicaraguan bank notes, etc.	1065
	Mr. Cuadra to Mr. Chamorro.	Dec. 13	Same subject. An undated memorandum, left with the Department Dec. 13, pertaining to Nicaragua's view of this Government's position in regard to the use of loan funds for mixed commission awards.	1066
30	Mr. Jefferson to Mr. Bryan..	Dec. 17	Message of the President. Incloses copy of the message of the President of Nicaragua to the Congress, Dec. 15.	1020
32	Same to same.....	Dec. 18	Proposed interoceanic canal treaty. Incloses copy of the protest of Colombia to Nicaragua against the conclusion of a treaty with the United States involving the rights of sovereignty of Colombia over Great Corn and Little Corn Islands.	1031
	Mr. Chamorro to Mr. Urrutia.	Dec. 24	Same subject. Answer of Nicaragua to the protest of Colombia (see inclosure to Mr. Jefferson's Dec. 18).	1032

PANAMA.

		1912.		
250	Mr. Andrews to Mr. Knox.	Nov. 20	Assault on American citizens in Panama. Transmits translation of Panama testimony relating to the riot of July 4, 1912, at Cocoa Grove.	1069
258	Same to same.....	Dec. 5	Same subject. Reports the delay, probably deliberate, of the Panaman Government in regard to the detection and arrest of the police concerned in the Cocoa Grove affair of July 4, 1912.	1069
		1913.		
	Mr. Dodge to Mr. Knox (telegram).	Jan. 8	Proposed railroad concession in Panama. Reports that an American citizen, Basil Burns Duncan, is to be granted a concession to construct a railroad from the mouth of the Chagres River southwestward at least 50 kilometers, in accordance with Law 82 of 1904. The Minister has obtained postponement of the grant pending his consultation with this Government.	1081
281	Same to same.....	...do....	Same subject. Refers to the foregoing telegram and incloses text of Duncan's contract with the Panaman Minister of Public Works; points out that by this contract a concession would be granted couched in such vague terms as to indicate the propriety of its consideration by the department; reports his request for delay to allow such consideration, which was granted.	1082
98	Mr. Knox to Mr. Dodge....	Jan. 9	Assault on American citizens in Panama. Refers to Mr. Andrews' No. 250 of Nov. 20, 1912, and instructs him to take up again with the Foreign Office the question of adjustment of the matters growing out of the disturbances in Panama on July 4, 1912, in which two American citizens lost their lives and many others were seriously injured; to say that after careful study of the testimony collected by the Panaman authorities the Department concludes that it is not only unworthy of credence as to absolving the Panaman police from guilty responsibility, but abundantly shows that said police were utterly lawless in their attacks; to insist upon the bases of adjustment set forth in the Department's Sept. 24, 1912, and immediate compliance therewith. Examples of guilt of certain police officers.	1070

PANAMA—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
287	Mr. Knox to Mr. Dodge ...	Jan. 11	Proposed railroad concession in Panama. Refers to his No. 281 of Jan. 8; reports that the concessionaire, Mr. Duncan, would be glad to have the Department examine the contract; other information.	1083
291	Same to same.....	Jan. 14	Proposed railway legislation in Panama. Incloses copy of proposed law for construction of Panama-David railroad.	1094
	Mr. Knox to Mr. Dodge (telegram).	Jan. 18	Proposed railroad concession in Panama. Approves action reported in his No. 281, which has been referred to the War Department. Inquires whether it would be advisable to have a commission examine the Duncan contract.	1084
	Mr. Dodge to Mr. Knox (telegram).	...do....	Same subject. Refers to his own, Jan. 8 and despatch No. 281. The Foreign Office requests early decision as to the Duncan contract.	1084
	Same to same (telegram)...	Jan. 19	Same subject. Refers to Department's Jan. 18 and advises having a commission examine the contract.	1085
	Same to same (telegram)...	...do....	Proposed railroad legislation in Panama. Reports proposed railway construction bill, cancelling the bill mentioned in his No. 291 of Jan. 14, authorizing the President to determine the mileage of construction, etc. Requests instructions.	1095
	Mr. Knox to Mr. Dodge (telegram).	Jan. 20	Same subject. Refers to his Jan. 19. The Department desires to examine text of the proposed bill and its delay pending such examination.	1095
298	Mr. Dodge to Mr. Knox....	...do....	Same subject. Refers to his No. 291 of Jan. 14 and telegram of Jan. 19. Incloses copy of the bill referred to in the telegram. Suggests outlines of representations to be made to Panama.	1096
	Mr. Knox to Mr. Stimson..	...do....	Proposed railroad concession in Panama. Informs him of the Duncan contract; incloses copy of Mr. Dodge's No. 281; requests examination of the contract from the strategic point of view.	1085
	Same to same.....	...do....	Same subject. Refers to Department's earlier letter of this date and informs him of Mr. Dodge's opinion of the desirability of a commission to examine the Duncan contract; requests appointment of such a commission, whose decision would be quite apart from the War Department's examination from the strategic standpoint.	1085
	Mr. Knox to Mr. Dodge (telegram).	Jan. 21	Same subject. Refers to his Jan. 19; directs him to act as chairman of the commission to be created to take action similar to that outlined in Department's No. 42 of Apr. 8, 1912.	1086
	Mr. Stimson to Mr. Knox	Jan. 22	Same subject. Refers to Department's two letters of Jan. 20, copies of which he is forwarding to the chairman and the Chief Engineer of the Isthmian Canal Commission with instructions to appoint a representative on the examining commission.	1086
	Mr. Knox to Mr. Stimson..	Jan. 27	Same subject. Refers to the foregoing and incloses copy of Mr. Dodge's No. 287.	1087
101	Mr. Knox to Mr. Dodge.....	...do....	Same subject. Refers to Mr. Dodge's No. 287 of Jan. 11 and incloses copy of the War Department's letter of Jan. 22.	1087
	Mr. Dodge to Mr. Knox (telegram).	...do....	Same subject. Refers to Department's Jan. 21. The commission recommends disapproval of the Duncan contract on the ground of indefiniteness.	1087
302	Same to same.....	...do....	Same subject. Refers to Department's telegram of Jan. 21 and his own of Jan. 27; incloses report of the commission disapproving the contract. The Panaman Assembly will prolong its session to Feb. 17.	1088
309	Same to same.....	Jan. 30	Same subject. Refers to his No. 302 of Jan. 27 and transmits copy of a letter from Mr. Duncan stating his desire to alter the contract to satisfy the Department of State and Mr. Duncan's request for an early decision of the Department on the matter. The Assembly will await that decision.	1090
310	Same to same.....	...do....	Proposed railroad legislation in Panama. Refers to Department's Jan. 20, which has been complied with; reports the assurance by President Porras that no railway construction would conflict with the rights of the United States under Art. V of the Convention of 1903.	1096
313	Same to same.....	Feb. 1	Assault on American citizens in Panama. Refers to Department's No. 96 of Dec. 27, 1912, and gives at length the present status of the investigation, and his action in order to expedite it.	1072
	Same to same (telegram)...	Feb. 7	Proposed railroad legislation in Panama. Reports receipt of a note from the Foreign Office stating that the bill before the Assembly would be postponed until Feb. 14, as a mark of courtesy to the United States.	1097

PANAMA—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
314	Mr. Dodge to Mr. Knox (telegram).	Feb. 7	Same subject. Refers to his No. 310 of Jan. 30 and telegram of Feb. 7; incloses copy of a note from the Foreign Office regarding which the Minister for Foreign Affairs intimates that the only ground upon which the United States could properly object to the railroad construction bill would be in case it violated Art. V of the Canal Treaty; reply of the Minister. Also incloses copy of the message of President Porras to the Assembly relating to the bill.	1097
	Same to same (telegram)...	Feb. 12	Same subject. Refers to his telegram of Feb. 7. The railway construction bill will probably be passed Feb. 15, unless the Department desires further postponement.	1099
	Mr. Knox to Mr. Dodge (telegram).	Feb. 13	Proposed railroad concession in Panama. Transmits telegram from Col. Goethals to the War Department reporting adversely on the contract from the military standpoint. Instructs him to address the Foreign Office and referring to Department's instruction of Sept. 20, 1911, say that under the circumstances this Government considers that the Duncan contract should not be permitted to become effective unless amended to meet the views its duty imposes on this Government, and would be glad to approve any railroad contract not detrimental to the construction, maintenance and operation of the canal —— matters in which the two Governments should take an equal interest.	1090
	Same to same.....	Feb. 17	Assault on American citizens in Panama. Approves his action as reported in his No. 313 of Feb. 1.	1073
	Same to same (telegram)...	...do....	Proposed railroad legislation in Panama. Refers to his No. 298 of Jan. 20. The railroad construction bill seems to involve the annuity of $250,000 shortly to become payable by the United States to Panama and the income from the $6,000,000 invested in New York. Department's attitude as to the $250,000 is made clear in its telegram of May 31, 1912, and as to the income from the $6,000,000 it is a matter requiring the most careful consideration and consultation between the two Governments. The department would therefore object to the passage of the bill as it now stands, and believes it should be amended so as to except these two items. Instructs him to state to the President of Panama that the department could not consent to be bound by any law including these features of the bill and would be obliged to make formal representations.	1099
	Mr. Dodge to Mr. Knox (telegram).	Feb. 22	Same subject. Reports compliance with Department's Feb. 17. He is informed by President Porras that the bill had become a law on Feb. 18, and the present attitude of the United States is surprising in view of the report of the minister of Panama at Washington that the department had no objection to the pledge of the interest on the $6,000,000. The President denied that the United States had any right to control the employment of the $250,000 annuity or the interest on the $6,000,000; nevertheless he would agree not to use them, although this would probably prevent railroad construction. He promised to send a written statement of Panama's attitude.	1100
341	Same to same.....	Feb. 24	Same subject. Refers to his telegram of Feb. 22; incloses copy of his note to the foreign office based on department's Feb. 17, and of a memorandum of his interview with President Porras.	1100
	Same to same (telegram)...	...do....	Proposed railroad concession in Panama. Refers to department's Feb. 13; reports that in view of the objections to the Duncan contract offered by this Government, it would be withdrawn from the Assembly.	1091
	Mr. Knox to Mr. Dodge (telegram).	Feb. 25	Same subject. Refers to his Feb. 24; instructs him to thank the minister for foreign affairs, when the contract is withdrawn, for the action of the Government of Panama.	1091
	Mr. Stimson to Mr. Knox..	Feb. 26	Same subject. Refers to department's Feb. 11 and Feb. 12 (see Mr. Dodge's Nos. 302 and 309 of Jan. 27 and Jan. 30); incloses memorandum by the Chief of Staff adverse to the Duncan concession; requests that steps be taken to prevent its consummation.	1092

PANAMA—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Knox to Mr. Dodge (telegram).	Feb. 28	Proposed railroad legislation in Panama. Refers to his Feb. 22 and to department's May 31, 1912. States Department's attitude toward use of the $250,000 annuity and of the interest on the $6,000,000; also its general attitude toward Panama.	1102
349	Mr. Dodge to Mr. Knox....	Mar. 4	Assault on American citizens in Panama. Refers to legations No. 313 of Feb. 1 and reports his further efforts to secure action by the Panaman Government.	1074
108	Mr. Bryan to Mr. Dodge...	Mar. 7	Proposed railroad concession in Panama. Incloses copy of Mr. Stimson's Feb. 26.	1093
	Mr. Bryan to Mr. Garrison	do....	Same subject. Refers to the War Department's letter of Feb. 26, copy of which has been sent to the American minister.	1093
	Chinese Legation to Department of State.	Mar. 13	Protection of Chinese interests in Panama. Memorandum relating to a bill before the Assembly of Panama dealing with the rights of Chinese and making severe restrictions. The legation requests this Government's good offices for securing amendment of its provisions.	1105
	Mr. Dodge to Mr. Bryan (telegram).	Mar. 15	Same subject. Refers to the bill described in the foregoing.	1105
359	Same to same.....	Mar. 16	Same subject. Amplifies the foregoing.	1106
360	Same to same.....	Mar. 17	Proposed railroad concession in Panama. Refers to department's Feb. 25 and reports compliance therewith; incloses related correspondence with the foreign office. Mr. Duncan will not attempt to modify the contract at this time.	1094
	Mr. Adee to Mr. Dodge (telegram).	Mar. 21	Protection of Chinese interests in Panama. Refers to the Chinese Legation's memorandum of Mar. 13. Instructs the minister to use his good offices as requested therein.	1106
372	Mr. Dodge to Mr. Bryan...	Mar. 22	Proposed railroad legislation in Panama. Refers to his No. 341 of Feb. 24 and his telegram of Feb. 22; incloses text of the law as passed Feb. 18; also his aide mémoire handed to the minister for foreign affairs, Mar. 1, after communicating to him department's Feb. 28.	1103
242	Mr. Adee to Mr. Chang.....	Mar. 24	Protection of Chinese interests in Panama. Refers to the legation's memorandum of Mar. 13 and informs him of the instruction to the minister in Panama, dated Mar. 21.	1107
115	Mr. Adee to Mr. Dodge.....	Mar. 25	Assault on American citizens in Panama. Approves his action as reported in his No. 349 of Mar. 4.	1074
	Mr. Chang to Mr. Bryan....	Mar. 27	Protection of Chinese interests in Panama. Thanks for the note of Mar. 24.	1107
385	Mr. Dodge to Mr. Bryan...	Mar. 27	Same subject. Refers to department's Mar. 21 and reports in detail his compliance therewith, which has gratified the Chinese Consul General at Panama.	1107
124	Mr. Bryan to Mr. Dodge ...	Apr. 15	Same subject. Refers to his No. 385 of Mar. 27, which is approved.	1109
	.....	Apr. 17	Authorization of consuls to take declarations of values of exports. Declaration of the Secretary of State.	1068
	.....	...do....	Same subject. Declaration of the chargé d'affaires of Panama.	1068
417	Mr. Dodge to Mr. Bryan...	Apr. 18	Protection of Chinese interests in Panama. Refers to his own No. 359 of Mar. 16 and No. 385 of Mar. 27; gives further information as to the bill, which has been enacted as law 50 of 1913, with certain amendments.	1109
443	Same to same.....	May 14	Assault on American citizens in Panama. Refers to legation's No. 349 of Mar. 4 and reports his continued efforts to obtain action.	1075
140	Mr. Bryan to Mr. Dodge...	May 28	Same subject. Acknowledges his No. 443 of May 14 and instructs him to urge the matter upon the authorities as soon as he believes it advisable.	1076
467	Mr. Dodge to Mr. Bryan...	June 9	Same subject. Refers to legation's No. 443 of May 14 and reports difficulties raised by the Panaman Government and his own action for expediting the investigation.	1076
469	Same to same.....	June 10	Protection of Chinese interests in Panama. Refers to his own No. 385 of Mar. 27 and No. 417 of Apr. 18; reports joint representations to the foreign office made by him and the Chinese Consul General; reports the consul general's thanks for the concessions obtained by the Minister.	1110
473	Mr. Wicker to Mr. Bryan..	June 18	Same subject. The chargé d'affaires refers to Mr. Dodge's No. 469 of June 10 and reports fully the steps taken in behalf of the Chinese by the legation toward securing further amelioration of Law 50.	1111

PANAMA—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Williams to Mr. Bryan (telegram).	June 19	Same subject. The Chinese foreign office requests the good offices of the department for further ameliorating the provisions of Law 50, or in securing its suspension pending conclusion of a projected treaty between China and Panama and the consequent establishment of a Chinese legation in Panama.	1112
	Mr. Bryan to Mr. Willlams (telegram).	June 26	Same subject. Refers to his June 19; the department will endeavor to execute the wish of the Chinese foreign office.	1113
	Mr. Bryan to Mr. Wicker (telegram).	...do....	Same subject. Instruction in pursuance of the foregoing.	1113
	Mr. Wicker to Mr. Bryan (telegram).	June 28	Same subject. Refers to department's June 26, and reports that the legation has secured Panama's promise to suspend enforcement of Law 50 pending further consideration of the matter by the Government.	1114
475	Same to same.....	June 30	Same subject. Refers to his own No. 473 of June 18 and reports further interviews with the foreign office and the gratification of the Chinese consul therewith.	1114
148	Mr. Bryan to Mr. Wicker..	...do....	Assault on American citizens in Panama. Refers to Mr. Dodge's No. 467 of June 9, which is approved; instructs regarding expediting the matter.	1078
149	Same to same.....	July 2	Protection of Chinese interests in Panama. Refers to Mr. Dodge's No. 469 of June 10, which is approved; instruction to continue his good offices and refers him to department's June 26.	1115
	Same to same.....	July 14	Same subject. Refers to his No. 475 of June 30, which is approved. It is not the desire of the department for the legation to press for the suspension of Law 50, as the promised amelioration thereof will satisfy the department, pending the proposed special session of the Assembly.	1115
493	Mr. Wicker to Mr. Bryan..	Aug. 4	Same subject. Reports further interviews in which he has confined himself to friendly mediation, and has obtained nearly all that was desired by the Chinese consul general, of which he gives details; summary of the situation.	1116
498	Same to same.....	Aug. 11	Assault on American citizens in Panama. Reports on claim of Mathew McDonald against Panama, and the general status of the Cocoa Grove investigation.	1078
	Mr. Bryan to Mr. Wicker (telegram).	Aug. 19	Protection of Chinese interests in Panama. Transmits thanks of the Chinese Government for the Legation's good offices, and its request for further representations as to China's objection to certain features of Law 50.	1118
	Mr. Wicker to Mr. Bryan (telegram).	Aug. 20	Status and protection in foreign countries of American citizens of Chinese race. Wong Ah Sin, born in California, proving American citizenship by birth certificate and certificate of California residence, and registered in Consulate General at Panama, protests as American citizen against application in his case, of law directed at Chinese in Panama. Instructions requested as to status and protection of American citizens of Chinese race born in United States or Hawaii.	1104
	Mr. Bryan to Mr. Reinsch (telegram).	Aug. 22	Protection of Chinese interests in Panama. Refers to his Aug. 19 and transmits reply of the American Legation at Panama dated Aug. 20, giving position of Foreign Office as stated at an interview.	1118
	Mr. Bryan to Mr. Wicker...	Aug. 27	Same subject. Refers to his No. 493 of Aug. 4, which has been transmitted to Peking.	1118
	Same to same (telegram)...	...do....	Status and protection in foreign countries of American citizens of Chinese race. Refers to his Aug. 20. As the United States excludes persons of Chinese race irrespective of their nationality and require all Chinese laborers, this Government can not protest against like action by Panama.	1104
	Same to same (telegram)...	Aug. 30	Protection of Chinese interests in Panama. Chinese Consul General requests that this Government endeavor to obtain a test of Law 50 in the courts before enforcing it. Instructs him to use his good offices, but suggests advisability of compliance with the law under protest, testing its constitutionality afterwards.	1119
	Mr Bryan to Mr. Reinsch..	Sept. 2	Same subject. Transmits telegram from Mr. Wicker of Aug. 30 reporting extension of time for registration to Sept. 15. Outlook favorable.	1119

PANAMA—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
164	Mr. Bryan to Mr. Wicker...	Sept. 9	Assault on American citizens in Panama. Refers to Legation's No. 498 of Aug. 11 and instructs to say to the Panaman Government that its investigation is apparently not earnest enough, and to request immediate pressing of the same to a conclusion.	1079
	Mr. Wicker to Mr. Bryan (telegram).	Sept. 17	Protection of Chinese interests in Panama. Reports revocation of exequatur of the Chinese Consul General, Ow Yang King, for encouraging Chinese not to comply with Law 50.	1119
	Mr. Bryan to Mr. Reinsch (telegram).	Sept. 19	Same subject. Exequatur of Chinese Consul General revoked Sept. 17; reasons given; Chinese have allowed time for registration to expire without complying.	1120
	Mr. Williams to Mr. Bryan (telegram).	Sept. 20	Same subject. Refers to Department's Sept. 19. The Chinese Minister for Foreign Affairs requests that the American Chargé d'Affaires in Panama be instructed to assume temporary charge of Chinese interests there.	1120
506	Mr. Wicker to Mr. Bryan..	....do....	Same subject. Refers to his own No. 493 of Aug. 4, and analyzes the situation at the date of writing.	1120
	Mr. Bryan to Mr. Wicker (telegram).	Sept. 22	Same subject. Instructs him in regard to lending his good offices for the protection of Chinese interests.	1122
	Mr. Wicker to Mr. Bryan (telegram).	Sept. 24	Same subject. Law 50 not to be applied pending consideration. The Chinese are depositing their registration certificates with the American Legation for safe keeping and examination.	1123
509	Same to same.....	Sept. 29	Same subject. Refers to Department's Sept. 22, and to his own 506 of Sept. 20; outlines his plans for protection of Chinese interests. Incloses his note to the Foreign Office regarding his new capacity in charge of Chinese interests as distinguished from his duties as an officer of the American Legation.	1123
	Same to same (telegram)...	Oct. 1	Same subject. The Chinese are registering at the Legation in books of the Chinese Republic; Law 50 suspended pending registration.	1126
	Same to same.....	Oct. 21	Same subject. Incloses his note to the Foreign Office covering many disputed points of Law 50.	1127
	Mr. Bryan to Mr. Wicker (telegram).	Nov. 12	Same subject. Transmits request of Chinese Government for recall of order revoking exequatur of Chinese Consul General; a new consul general will be appointed to replace Ow Yang.	1130
	Mr. Wicker to Mr. Bryan (telegram).	Nov. 13	Same subject. Refers to his own Oct. 21. Reports refusal of Chinese to register; gives reasons.	1130
	Same to same (telegram)...	Nov. 14	Same subject. Panama has withdrawn ultimatum and reopened negotiations; gives terms.	1131
	Mr. Bryan to Mr. Chang...	...do....	Same subject. Transmits copy of Mr. Wicker's Nov. 13.	1131
	Mr. Moore to Mr. Chang....	Nov. 15	Same subject. Transmits copy of Mr. Wicker's Oct. 21.	1132
	Mr. Bryan to Mr. Wicker (telegram).	...do....	Same subject. Refers to his Nov. 13. The Department will inform him as soon as possible of the course the Chinese Government desires to be pursued.	1132
22	Mr. Price to Mr. Bryan....	...do...	Assault on American citizens in Panama. Reports the steps he has taken to urge the Panaman Government to greater activity.	1079
	Mr. Reinsch to Mr. Bryan..	Nov. 16	Protection of Chinese interests in Panama. Requests that Mr. Wicker be allowed to continue in charge of Chines interests until arrival of new Chinese Consul General.	1132
	Mr. Wicker to Mr. Bryan..	Nov. 17	Same subject. Refers to his own Nov. 14. Reports arrest of 10 Chinese under Law 50. Meeting of Chinese called; great excitement; caution advised by Mr. Wicker and request for full police protection.	1133
	Mr. Chang to Mr. Bryan...	Nov. 18	Same subject. Refers to Department's Nov. 14 and Nov. 15 with thanks. The Chinese Govenment has appointed a new Consul General to Panama; requests that this fact be transmitted to the American Legation with instructions to urge Panama to await his arrival before enforcing Law 50.	1133
	Mr. Wicker to Mr. Bryan (telegram).	...do....	Same subject. Refers to his own Nov. 17 and Oct. 21. Reports urging placing the whole matter in the hands of the National Assembly.	1134
	Mr. Bryan to Mr. Wicker (telegram).	...do....	Same subject. The newly appointed Chinese Consul General will begin his duties as soon as possible; it is hoped Panama will meantime suspend Law 50; so inform the Foreign Office.	1134
	Mr. Williams to Mr. Bryan	...do....	Same subject. Refers to Legation's Nov. 16 and incloses translation of a note from the Chinese Foreign Office relative thereto.	1135

PANAMA—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Wicker to Mr. Bryan (telegram).	Nov. 20	Same subject. Refers Department's Nov. 12 and Nov. 18. The new Consul General will be appropriately received. States situation as to Law 50.	1136
	Same to same (telegram)...	Nov. 24	Same subject. Refers to his own Nov. 17. Chinese under arrest have taken out writs of habeas corpus, which Panama Government has referred to the Supreme Court. Situation relieved.	1136
	Same to same (telegram)...	Nov. 25	Same subject. Refers to his own Nov. 24. The Supreme Court dismisses the writ of habeas corpus; Chinese must register within 48 hours or suffer severe penalties. Mr. Wicker has advised registration under protest.	1137
	Mr. Price to Mr. Bryan (telegram).	...do....	Same subject. Panama agrees to postpone enforcement of Law 50 until Nov. 27 and to reduce to writing the verbal promises reported in Mr. Wicker's Oct. 21. Requests instruction in case Chinese still refuse to register.	1137
	Mr. Wicker to Mr. Bryan (telegram).	Dec. 3	Same subject. Reports eight concessions in writing by the Foreign Office in amelioration of Law 50, granted Dec. 3. General satisfaction is manifest.	1137
	Mr. Chang to Mr. Bryan...	Dec. 10	Same subject. Thanks of Chinese Government for the good offices of this Government in causing an amicable settlement of the controversy with Panama.	1138
	Mr. Bryan to Mr. Price (telegram).	Dec. 12	Same subject. The new Chinese Consul General, Mr. Fong Tsiang Kwang, is now in Washington. The Government of Panama is requested to grant him an exequatur and usual courtesies.	1138
	Mr. Price to Mr. Bryan (telegram).	Dec. 13	Same subject. The exequatur will be given.....	1139
	Mr. Bryan to Mr. Chang...	Dec. 15	Same subject. Expresses his pleasure in his note of Dec. 10, and in communicating it to the American Legation at Panama and Mr. Wicker.	1139
12	Mr. Bryan to Mr. Price....	Dec. 18	Assault on American citizens in Panama. Approves the action reported in his No. 22 of Nov. 15.	1080
51	Mr. Price to Mr. Bryan....	Dec. 23	Same subject. Incloses copy of a note he has sent to the Foreign Office, urging in strong terms that no further needless delays be permitted in investigating the responsibility for the Cocoa Grove affair of July 4, 1912.	1088

PERU.

		1909.		
	Mr. Dawson to Mr. Knox..	July 16	Tacna-Arica dispute between Peru and Chile; good offices of the United States and other countries. Memorandum reviewing the history of the boundary disputes between Peru, Chile, and Bolivia, and the efforts of the United States and other countries to facilitate their settlement.	1164
	Same to same.....	Nov. 1	Same subject. Incloses Chilean draft of bases of settlement of Tacna-Arica question; reports Argentina's efforts to induce Peru to accept Chile's preliminary terms, and Argentina's inquiry as to the attitude of the United States.	1172
285	Mr. Combs to Mr. Knox....	Nov. 4	Same subject. Reports Chile's determination not to send a minister to Peru until the Tacna-Arica question is solved, on a basis securing those provinces to Chile; terms of settlement proposed by Chile; counter proposal of Peru.	1173
290	Same to same.....	Nov. 17	Same subject. Reports statements of the Peruvian Government's attitude made by President Leguia of Peru and the President of the Peruvian Senate, Mr. Aspillaga.	1175
		1910.		
314	Mr. Cresson to Mr. Knox...	Jan. 29	Same subject. Reports closing by Chile of churches in Tacna and Arica within the Peruvian See of Arequipa.	1176
	Same to same (telegram) ..	Mar. 7	Same subject. Reports shipment by Chile of arms for Ecuador; Chile's expulsion of Peruvian priests from Tacna; Peru's request that the United States take charge of the Peruvian Legation at Santiago in case of withdrawal of Peruvian representation there.	1177
	Mr. Knox to Mr. Cresson (telegram).	Mar. 11	Same subject. Refers to Mr. Cresson's Mar. 7. The Department would deplore hasty severance of relations between Chile and Peru and believes it premature to instruct him at present to take charge of Peruvian Legation at Santiago.	1178

PERU—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1910.		
335	Mr. Cresson to Mr. Knox...	Mar. 14	Same subject. Reports compliance with the instruction of Mar. 11, and remarks of the Foreign Minister on the Tacna-Arica question; suggests that the Department make some statement thereon.	1178
	Mr. Dudley to Mr. Knox (telegram).	Mar. 17	Same subject. Brazil, at Peru's suggestion, will propose to Chile to submit the Tacna-Arica question to the United States, Brazil, and Argentina for their summary decision on documentary evidence.	1179
	Mr. Pierrepont to Mr. Knox (telegram).	Mar. 20	Same subject. Reports withdrawal of Peruvian Legation at Santiago and official request of Peru that the United States take charge of the Legation's archives.	1179
292	Mr. Sherrill to Mr. Knox...	Mar. 21	Same subject. Reports that Argentina seems favorable to Chile; Argentine Minister for Foreign Affairs characterizes Brazil's action as self-seeking.	1180
	Mr. Knox to Mr. Pierrepont (telegram).	Mar. 22	Same subject. Authorizes him to accept custody of Peruvian Legation at Santiago.	1180
	Mr. Knox to Mr. Cresson (telegram).	...do....	Same subject. Notifies him of the above authorization, and instructs him to notify the Peruvian Foreign Office thereof.	1180
	Mr. Cresson to Mr. Knox (telegram).	...do....	Same subject. Reports compliance with the foregoing instruction. The Minister for Foreign Affairs of Peru informs him that Peru has informally requested Brazil to mediate; that Peru hopes the United States will also take action; that Argentina desires to intervene with the United States; and that Chile submitted to Peru a definite proposal on Mar. 15.	1181
71	Mr. Pierrepont to Mr. Knox	...do....	Same subject. Refers to his Mar. 20; reports Peru's reasons for withdrawal of its Legation; reports receipt of the Legation's archives; summarizes points of Chile's new proposal to Peru.	1181
	Same to same (telegram)...	Mar. 23	Same subject. Chilean proposal to Peru, contains a threat that if Peru does not accept the terms, "Chile will hold an independent plebiscite in Tacna and Arica, and pay Peru 10,000,000 pesos indemnity."	1182
	Mr. Knox to Mr. Dudley (telegram).	Mar. 24	Same subject. Refers to Mr. Dudley's Mar. 17 and instructs him that the United States would be prepared to contribute toward the solution of the Tacna-Arica question if the plan mentioned by Mr. Dudley should be acceptable to Chile and Peru. Instructs him to repeat his Mar. 17 and the Department's present telegram to the Legations at Buenos Aires, Santiago, Lima, and Quito.	1182
	Mr. Cresson to Mr. Knox (telegram).	...do....	Same subject. Peru requests that the United States undertake protection of Peruvian citizens in Chile.	1183
	Mr. Pierrepont to Mr. Knox (telegram).	Mar. 26	Same subject. Refers to Department's Mar. 24. Reports that Chile, while determined to retain Tacna and Arica, would pay a larger indemnity than specified in the recent proposal; as to the threat contained therein, the Chilean Minister for Foreign Affairs says "we did not *say* so."	1183
	Mr. Knox to Mr. Pierrepont (telegram).	...do....	Same subject. Instructs him, if Chile consents, to exercise his impartial good offices in behalf of Peruvian citizens in Chile.	1183
	Mr. Sherrill to Mr. Knox (telegram).	Mar. 28	Same subject. Argentina has heard nothing from Brazil as to the project for the intervention of the United States, Brazil and Argentina to refer the Tacna-Arica question to The Hague or to Brazil. Argentina is willing to join the United States in any move.	1184
338	Mr. Cresson to Mr. Knox...	Mar. 29	Same subject. Refers to Department's Mar. 22, and transmits Peru's satisfaction with the action of the United States.	1184
508	Mr. Dudley to Mr. Knox...	Mar. 31	Same subject. Reports compliance with the Department's Mar. 24, having advised Brazil of its purport. The Brazilian Minister for Foreign Affairs informs him that Chile had declined to accept Brazil's overture or anything savoring of arbitration; the Minister's next proposal—of submitting the matter to the United States, Argentina, and Brazil as amiables compositeurs—had also been rejected by Chile.	1185
	Mr. Knox to Mr. Sherrill (telegram).	Apr. 1	Same subject. Refers to Mr Sherrill's Mar. 28. Instructs him that he may say that the reported project was entirely hypothetical and preliminary and fully considerate of Argentina.	1185
	Mr. Pierrepont to Mr. Knox (telegram).	...do....	Same subject. Refers to Department's Mar. 26 and transmits Chile's verbal reply to his note on the subject: Chile considers it not desirable that the United States act in behalf of Peruvians; reasons given.	1186

PERU—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1910.		
	Mr. Pierrepont to Mr. Knox (telegram)	Apr. 2	Same subject. Refers to his Apr. 1. Chile rejects Peru's counter proposal. Transmits Chile's expression of willingness to accept decision of a third nation, or of the United States, Brazil, and Argentina, on the basis of Chile keeping Tacna and Arica and paying Peru £3,000,000 or more, together with cession of Tarata.	1187
	Mr. Dudley to Mr. Knox (telegram).	...do....	Same subject. Refers to his Mar. 17. Chile declines Brazil's proposals or anything in the nature of arbitration; Brazilian Minister for Foreign Affairs gives his interpretation of the Chilean attitude.	1187
110	Mr. Knox to Mr. Cresson...	...do....	Same subject. Transmits memorandum of conversation between the Acting Secretary of State and the Argentine Chargé d'Affaires on Mar. 30 relating to the matter of Mr. Cresson's Mar. 28.	1187
	Chilean Legation to Department of State.	Apr. 4	Same subject. Memorandum of Chile's verbal answer to the American Chargé d'Affaires at Santiago upon his request for Chile's assent to his protection of Peruvian interests in Chile.	1188
	.....	...do....	Same subject. Memorandum of the conversation between the Acting Secretary of State and the Minister Chile on the occasion of presentation of the above memorandum.	1189
74	Mr. Pierrepont to Mr. Knox	Apr. 5	Same subject. Refers to Department's Mar. 26; transmits his note in pursuance thereof; refers to his Apr. 1, transmitting the answer of Chile; transmits Chile's note of Mar. 3 to Peru, replying to Peru's note of Dec. 23, 1909, and giving in full Chile's proposed bases of settlement.	1190
	Mr. Cresson to Mr. Knox (telegram).	Apr. 6	Same subject. Reports that Peru has determined to leave the Chilean question wholly to Brazil, which has now approached Argentina formally, this action being taken because of the attitude of the United States requiring request of both Governments.	1195
	Mr. Sherrill to Mr. Knox (telegram).	Apr. 9	Same subject. Argentina, instead of dealing directly with Brazil, prefers to join the United States and Brazil in the manner the United States shall decide on.	1195
	Same to same (telegram)...	Apr. 12	Same subject. Great Britain and France offer Argentina their moral support in settling the Peru-Chile dispute. The British Minister to Argentina desires to know what action the United States contemplates.	1196
	Same to same (telegram)...	...do....	Same subject. Refers to his Mar. 28 and Department's Apr. 1. Brazil informs Argentina that if Chile refuses participation by the Unites States in the proposed mediation, Mexico might have to be substituted, and suggests that it might be better for each country to mediate separately. Argentina has notified all parties that it will act only in conjunction with the United States, although not objecting to Brazil's participation.	1196
318	Same to same.....	...do....	Same subject. Enlarges upon the above telegrams and reports that Argentina would refer to Washington any advances made by France and Great Britain.	1196
113	Mr. Wilson to Mr. Cresson.	Apr. 15	Same subject. Refers to Mr. Cresson's No. 335 of Mar. 14 and informs him that the Department has recently indicated its willingness to join with Argentina and Brazil at the suggestion of Brazil in an attempt to find a solution of the Peru-Chile dispute.	1197
520	Mr. Dudley to Mr. Knox...	Apr. 25	Same subject. Refers to Department's Apr. 2 (identical with the Department's No. 110 of Apr. 2 to Mr. Cresson) and reports that France and Great Britain have proposed to lend Brazil their moral support to Brazil in settling the Peru-Chile dispute. Brazil has received the proposal with satisfaction.	1197
	Mr. Sherrill to Mr. Knox (telegram).	May 15	Same subject. Suggests that the approaching visit to Buenos Aires of the President and minister for Foreign Affairs of Chile and the Vice President of Peru may give opportunity for the United States and Argentina to cooperate in adjusting the Tacna-Arica dispute. Reasons given.	1198
	The Bolivian Legation to the Department of State.	June 9	Same subject. Memorandum stating Bolivia's suggestion of a solution of the Tacna-Arica question by cession to Bolivia by Chile and Peru of a port in the disputed territory.	1198

PERU—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1910.		
	The Peruvian Legation to the Department of State.	Nov. 5	Same subject. Memorandum of Peru relating to Bolivia's attitude on the Peru-Chile question, stating that a Chilean emissary, Mr. Alfonso, is at Lima to suggest a means of settlement between Chile and Peru, and requesting that the United States declare "without delay and in an open and explicit form" what aid Peru can expect from this Government.	1200
	Mr. Dodge to Mr. Knox	Nov. 10	Same subject. A letter reviewing the recent developments in the Tacna-Arica matter.	1200
	Mr. Combs to Mr. Knox (telegram).	Nov. 17	Same subject. Argentina declines to give advice to Peru. Brazil advises seizing offer to divide the disputed territory and offers moral support.	1204
	Mr. Adee to Mr. Cresson (telegram).	Nov. 18	Same subject. Refers to Peruvian memorandum of Nov. 5 and informs him of the reply of the United States, which merely expressed the hope that Chile and Peru might find a basis for settlement consistent with their national honor and interests.	1204
	Mr. Combs to Mr. Knox (telegram).	Nov. 19	Same subject. Peru has informed Mr. Alfonso, the Chilean agent, that she accepts the proposal to divide the Tacna-Arica territory. The agent is without credentials but was sent by the President of Chile. Great Britain has been chosen by Peru, on the agent's suggestion, to advise on arrangements for settlement.	1204
435	Same to same	Nov. 21	Same subject. Refers to his telegrams of Nov. 17 and Nov. 19 and to the Peruvian memorandum of Nov. 5. Gives his interpretation of the memorandum and enlarges on the telegrams.	1205
	Mr. Knox to Mr. Combs (telegram)	...do....	Same subject. Desires to know the source of information in his Nov. 19.	1206
	Mr. Combs to Mr. Knox (telegram).	...do....	Same subject. Refers to the foregoing; the information was obtained from the Argentine Minister and the Peruvian Minister for Foreign Affairs.	1206
	Mr. Knox to Mr. Combs (telegram).	Nov. 22	Same subject. Instructs him to repeat his Nov. 19, with source of its information, to the Legations at La Paz, Santiago, Quito and Buenos Aires, and the Embassy at Petropolis.	1206
	Mr. Dudley to Mr. Knox (telegram).	Nov. 23	Same subject. Brazil has offered to use good offices to allay Bolivian feeling over Peruvian occupation of headwaters of the manuripe; this may also lead to early settlement of the Tacna-Arica question.	1207
	Mr. Fletcher to Mr. Knox (telegram).	Dec. 1	Same subject. Chile declares that Mr. Alfonso was not an authorized agent of the Government, although the settlement proposed by him might be acceptable to it. Mr. Fletcher believes no steps will be taken before inauguration of the new Chilean administration on Dec. 24.	1207
42	Same to same	Dec. 24	Same subject. Quotes the President-elect of Chile as to his proposed Tacna-Arica policy.	1207
		1911.		
65	Mr. Howard to Mr. Knox	Oct. 25	Same subject. Incloses identic memorandum of the Peruvian Foreign Office, addressed to the United States, Argentina, and Brazil, on the Tacna-Arica question and calling on them to "ward off the danger by all the means in their power."	1208
	Mr. Fletcher to Mr. Knox (telegram).	Nov. 9	Same subject. A bill introduced Nov. 8 in Chilean Senate provides representation in the Senate and the House of Tacna and Arica; reports other indications of a systematic plan of Chile to drive out Peruvians from the disputed territory.	1210
148	Same to same	Nov. 14	Same subject. Amplifies the foregoing	1210
1047	Mr. Bliss to Mr. Knox	Nov. 17	Same subject. Reports receipt by Argentina of the Peruvian memorandum of Nov. 5. Argentina awaits information from its Legations at Washington and Rio de Janeiro. Brazil's offer to Chile of its good offices having been received with distinct signs of annoyance, Argentina concludes that Chile does not wish the intervention of friendly powers and that the situation in Peru precludes the hope of progress toward a solution in that quarter.	1212
	Mr. Fletcher to Mr. Knox (telegram).	Nov. 22	Same subject. Chile has extended to Tacna and Arica her laws of obligatory naval and military service; labor troubles between Chileans and Peruvians are reported from Iquique.	1213
155	Same to same	Nov. 27	Same subject. Enlarges upon his Nov. 22	1213
	Same to same	Nov. 30	Same subject. Refers to his Nov. 9. The bill has passed the Senate.	1215

PERU—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1911.		
	Mr. de Freyre to Mr. Knox.	Dec. 1	Same subject. Refers to the Peruvian memorandum of Oct. 23 and says that Peru has presented to the representatives at Lima of the United States, Argentina, and Brazil a further memorandum calling attention to the aggressions of Chile and reiterating Peru's request to the three mediating Powers to exercise their good offices in the form they deem best.	1215
	Mr. Howard to Mr. Knox (telegram).	Dec. 4	Same subject. Chile has purchased arms in Germany; Chile's forces in the disputed territory will be increased from 7,000 to 50,000 in preparation for a definite plan of attack already made. "Defenseless Peru invokes mediating Powers."	1216
78	Same to same	...do....	Same subject. Refers to his telegram of this date and incloses a memorandum of the Peruvian Foreign Office which continues the narrative of the memorandum of Oct. 23, and says that "Peru . . . places its trust in the great nations which . . . mediated in its conflict with Ecuador."	1216
	Mr. de Freyre to Mr. Knox.	Dec. 12	Same subject. The Peruvian-Chargé d'Affaires declares that only the action of the Governments to which Peru has appealed can now solve the Peru-Chile problem, and the United States seems called upon to take the initiative; requests that it study the problem and decide upon a means of securing a durable peace.	1220
		1912		
165	Mr. Fletcher to Mr. Knox.	Jan. 9	Same subject. The bill providing representation in the Chilean Congress for Tacna and Arica is meeting opposition in the House.	1221
1	Mr. Wilson to Mr. Fuller.	Apr. 6	Slavery in Peru; joint investigation by the Governments of the United States and Great Britain. Instructs him, after reviewing the history of the case, to cooperate with the British Consul at Iquitos in visiting the rubber stations in the Putumayo region and investigating the treatment of the Indians.	1243
3	Mr. Fuller to Mr. Knox	May 31	Same subject. Refers to Department's No. 1 of Apr. 6, and reports preparations made by him and the British Consul to visit the Putumayo rubber stations.	1249
123	Mr. Howard to Mr. Knox	June 1	Tacna-Arica dispute between Peru and Chile; good offices of the United States and other Governments. Reports a conversation between the President of Peru, the late American Chargé d'Affaires at Santiago, and himself in regard to possible bases of settlement of the Tacna-Arica question.	1222
13	Mr. Fuller to Mr. Knox	July 1	Slavery in Peru; joint investigation by the Governments of the United States and Great Britain. Refers to his No. 3 of May 31 and reports at length what he has discovered at Iquitos relating to the treatment of the Indians at the Putumayo rubber stations, and the attitude of the Peruvian Government.	1250
19	Same to same	July 15	Same subject. Refers to his Nos. 3 and 13 of May 31 and July 1 and gives further particulars on the same subject.	1254
20	Same to same	July 16	Same subject. Gives further particulars	1260
	Mr. Knox to Mr. Fuller (telegram).	July 29	Same subject. Refers to Mr. Fuller's No. 3 of May 31 and instructs him to accept no favors from the rubber company.	1250
25	Mr. Fuller to Mr. Knox	July 31	Same subject. Refers to his Nos. 19 and 20 of July 15 and 16 and gives further particulars on the same subject.	1262
649	Resolution of the House of Representatives.	Aug. 1	Same subject. Resolution directing the Secretary of State to transmit to the House, if not incompatible with the public interest, all information in his Department's possession concerning the alleged existence of slavery in Peru.	1240
29	Mr. Fuller to Mr. Knox	Aug. 6	Same subject. Transmits the answer, dated Aug. 5, of the Prefect of Soreto to his letter to the Prefect, of which a copy was enclosed in his No. 19 of July 15, and his answer, dated Aug. 6, with comments on the attitude of the Peruvian Government.	1263
33	Same to same	Oct. 28	Same subject. A long report, written after his investigation, in company with the British Consul, of the labor conditions in the Putumayo region.	1264
	Same to same (telegram)	Nov. 10	Tacna-Arica dispute between Peru and Chile; good offices of the United States and other Governments. Reports impending agreement between Chile and Peru on the Tacna-Arica question; terms given.	1224
	Mr. Pezet to Mr. Knox	Nov. 11	Same subject. Peru has decided to reestablish diplomatic relations with Chile.	1224

PERU—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1912.		
	Mr. Fletcher to Mr. Knox (telegram).	Nov. 11	Same subject. Same purport as the foregoing.....	1224
	Mr. Knox to Mr. Howard (telegram).	Nov. 12	Same subject. Refers to the two foregoing communications and asks what information he has on the subject.	1225
	Mr. Knox to Mr. Fletcher (telegram).	...do....	Same subject. Refers to Mr. Fletcher's Nov. 11 and Mr. Pezet's communication of Nov. 11, and the Department's response to Mr. Pezet.	1225
	Mr. Howard to Mr. Knox (telegram).	Nov. 13	Same subject. Replies to Department's Nov. 12; confirms the report and says Congress will ratify the agreement.	1225
177	Same to same.....	...do....	Same subject. Amplifies the foregoing and incloses statement of terms of Chile-Peru agreement handed to him by the President of Peru.	1225
	Mr. Fletcher to Mr. Knox (telegram).	Nov. 15	Same subject. Reports progress toward reestablishment of diplomatic relations with Peru and agreement as to Tacna-Arica question.	1226
15	Mr. Knox to Mr. Pezet.....	Nov. 16	Same subject. Replies to Mr. Pezet's Nov. 11 and expresses the gratification of this Government with the information.	1226
278	Mr. Fletcher to Mr. Knox..	Nov. 18	Same subject. Gives bases proposed by Chile for settlement of the Tacna-Arica question.	1227
	Same to same.....	Nov. 20	Slavery in Peru; joint investigation by the Governments of the United States and Great Britain. Transmits, with comments, an identic letter from the Peruvian Consul General at Iquitos to him and the British Consul after their return from the Putumayo region.	1281
	Mr. Howard to Mr. Knox (telegram).	Nov. 27	Tacna-Arica dispute between Peru and Chile; good offices of the United States and other Governments. Brazil and Argentina have approved Tacna-Arica settlement; the President of Peru desires to know whether the United States approves the terms.	1228
	Mr. Knox to Mr. Howard (telegram).	Nov. 30	Same subject. Refers to his Nov. 27. Instructs him to express to the President of Peru the gratification of this Government at the prospective reestablishment of relations between Peru and Chile and the final settlement of the Tacna-Arica question.	1228
286	Mr. Fletcher to Mr. Knox..	Dec. 3	Same subject. Refers to his No. 278 of Nov. 18 and reports progress toward a settlement of the Tacna-Arica question.	1228
98	Mr. Knox to Mr. Howard..	Dec. 4	Same subject. Refers to his No. 177 of Nov. 13; the Department's attitude toward the proposed arrangement is fully explained in its telegram of Nov. 30.	1229
	Mr. Fletcher to Mr. Knox (telegram).	Dec. 12	Same subject. Further discussion of settlement with Peru has been postponed, due to report of adjournment of the Peruvian Congress without action.	1229
	Mr. Wilson to Mr. Howard (telegram).	Dec. 14	Same subject. Inquires whether Peruvian Congress has adjourned without action, as reported by Mr. Fletcher.	1230
	Mr. Howard to Mr. Knox (telegram).	Dec. 15	Same subject. Refers to Department's Dec. 14. Congress has taken no action but has convened in extraordinary session.	1230
	Same to same (telegram)...	Dec. 17	Same subject. Refers to Department's Dec. 14. The President of Peru says diplomatic relations must be resumed before continuing Tacna-Arica negotiations.	1230
	Mr. Fletcher to Mr. Knox (telegram).	Dec. 30	Same subject. No progress is being made in Chile in the negotiations with Peru, and the prospect of successful issue seems to be fading.	1230
		1913.		
300	Same to same.....	Jan. 30	Same subject. The Chilean Congress has adjourned till June 1, 1913, without acting on proposed resumption of relations with Peru; the Tacna-Arica negotiations are going on informally. Mr. Fletcher discuss the relation of the United States to the question and advises noninterference.	1230
	Mr. Knox to the President.	Feb. 4	Slavery in Peru; joint investigation by the Governments of the United States and Great Britain. Letter of submittal accompanying the papers requested by House Resolution No. 649 of Aug. 1, 1912.	1241
29	Mr. Bryce to Mr. Knox....	Feb. 6	Same subject. Transmits copies of the report of the British Consul at Iquitos on the trip to the Putumayo region in company of the American Consul. Requests the views of this Government on the general question in the light of the Consuls' reports and on the action which the two Governments should or can take.	1287

PERU—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	The President to the House of Representatives.	Feb. 7	Same subject. Message of the President transmitting a report of the Secretary of State, with accompanying papers, concerning the alleged existence of slavery in Peru, in pursuance of House Resolution No. 649 of Aug. 1, 1912.	1240
1774	Mr. Knox to Mr. Bryce....	Feb. 25	Same subject. Refers to the Ambassador's No. 29 of Feb. 6; transmits copies of Mr. Fuller's report; refers to the statements to him made by the Peruvian Minister; says that in view of Peru's present policy this Government believes further action at present would be inopportune.	1288
	Mr. Wilson to Mr. Howard.	Mar. 17	Tacna-Arica dispute between Peru and Chile; good offices of the United States and other countries. Refers to Mr. Fletcher's No. 300 of Jan. 30; the attitude of the Minister as therein reported is approved. Instructs him that it is the general policy of this Government not to act as mediator unless requested by all parties to a dispute. Other instructions.	1232
	Mr. Wilson to Mr. Howard.	...do...	Same subject. Incloses copies of Mr. Fletcher's No. 300 of Jan. 30 and Department's reply of Mar. 17. Instructs him to follow the instructions in the latter or telegraph for special instructions when occasion arises.	1232
	Mr. Fletcher to Mr. Bryan (telegram).	Mar. 19	Same subject. Negotiations with Peru have been resumed; Chile hopes to settle on the basis mentioned in his No. 300 of Jan. 30.	1233
334	Same to same.....	Apr. 29	Same subject. Reports that negotiations with Peru have been at a standstill for over a month; reasons therefor; nothing will be done before opening of Congress, June 1.	1233
207	Mr. Bingham to Mr. Bryan..	May 9	Boundary dispute between Peru and Ecuador; request of Peru for arbitration through mediation of the United States, Argentina, and Brazil. Reports protest of Ecuador against presence of Peruvian troops in the Morona River region, which it claims to belong to Ecuador, a claim denied by Peru, which declines to withdraw the troops.	1147
	Mr. Howard to Mr. Bryan (telegram).	May 17	Same subject. Reports that Ecuador's request for withdrawal of Peruvian troops has been refused, because compliance would admit the right of Ecuador to make the request.	1148
	Mr. Bryan to Mr. Howard (telegram).	May 19	Same subject. Instructs him to repeat his May 17 to Quito with instructions to ascertain the views of Ecuador.	1148
	Mr. Bryan to Mr. Schuyler (telegram).	May 26	Same subject. Instruction to report in regard to Mr. Howard's May 17.	1149
	Mr. Schuyler to Mr. Bryan (telegram).	May 27	Same subject. Refers to Department's May 19 to Mr. Howard. The Ecuadorian Foreign Office believes there was a mistake in the transmission of the telegram of May 17 from Lima to Quito, as the position of Peru was understood at Quito to be that of desiring to be requested to withdraw the troops whose presence is regarded as a violation of the status quo. As to the general question of the boundary, Ecuador positively refuses arbitration at The Hague, but will take up direct negotiation with Peru at any time.	1149
	Mr. Garrett to Mr. Bryan (telegram).	June 5	Same subject. Reports that the Argentine Foreign Office informs him and the Minister of Brazil that the Minister of Ecuador to Chile had stated to the Argentine Minister to Chile that Ecuador wishes to know whether the mediating powers are resolved to require Peru to respect the status quo of 1910; otherwise Ecuador will appeal to arms.	1149
	Mr. Wither to Mr. Bryan...	...do....	Same subject. States the Ecuadorian view of the Peruvian occupation of the Morona River region; if Peru will immediately withdraw, Ecuador will accept the good offices of the United States for settling the incident, but does not thereby mean to admit Peru's right to consider this incident as a principal issue in the boundary dispute, which must be settled between Ecuador and Peru by direct negotiations.	1150
	Mr. Bryan to Mr. Howard (telegram).	June 28	Same subject. Instruction to present the position of Ecuador to the Peruvian Government.	1151

PERU—Continued

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Howard to Mr. Bryan (telegram).	July 1	Same subject. Refers to Department's May 19 and June 28 and to the Legation's May 17. Peru asks that the American Minister to Ecuador inform that Government that nothing can be accomplished by direct negotiation between Peru and Ecuador; Peru desires the mediating powers to act as arbitrators. Peruvian troops will be withdrawn if Ecuador will agree to arbitration.	1151
	Mr. Howard to Mr. Bryan (telegram).	July 9	Same subject. The President of Peru requests the good offices of the United States in securing arbitration as outlined in Legation's July 1.	1152
	Mr. Bryan to Mr. Howard (telegram).	July 11	Same subject. Refers to his July 9. Ecuador is preparing a proposal that will be ready soon.	1152
	Mr. Pezet to Mr. Bryan.....	July 18	Same subject. The Minister of Peru advises the Department that on July 15 Peru handed the representatives of the mediating powers a memorandum stating that Peru hopes those powers will be able to induce Ecuador to submit the pending controversy to The Hague Tribunal, direct negotiation having proved futile.	1152
	Embassy of Brazil to the Department of State.	July 22	Same subject. The Brazilian Legation at Quito has been instructed to urge Ecuador to submit to arbitration. As Ecuador will probably decline, Brazil suggests the President of the United States as arbiter; if Ecuador also rejects this proposal, Brazil would suggest a mixed tribunal consisting of a Peruvian and an Ecuadorian judge and a judge of some other nationality, the latter to preside. Argentina concurs in this plan. The opinion of the Department is desired.	1154
	Mr. Moore to Mr. Chermont.	...do....	Same subject. Refers to the foregoing and to subsequent interviews. This Government prefers that the proposal suggested by Brazil and Argentina be made by them alone, leaving this Government unembarrassed in case of the rejection of the alternative of the President of the United States as arbiter and hence free to join in the other alternative.	1155
225	Mr. Howard to Mr. Bryan..	July 23	Same subject. Refers to Department's July 11 and incloses a Peruvian memorandum of July 15, repeating Peru's desire to submit the pending question to The Hague.	1155
	Mr. Chermont to Mr. Moore.	July 24	Same subject. Thanks for his letter of July 22.	1156
	Mr. Howard to Mr. Bryan (telegram).	July 25	Arrest, imprisonment and deportation of ex-President Augusto B. Leguía; offer of asylum at the American Legation and courtesies extended by the United States; recognition by Peru of right of a political refugee to seek and be accorded asylum at a foreign legation. The Minister reports attack, July 24, on residence of ex-President Leguía; cause thereof; arrest and imprisonment of Leguía, July 24–25.	1141
	Mr. Bryan to Mr. Howard (telegram).	July 29	Same subject. Instructs him to use whatever influence he properly can to protect the life of ex-President Leguía, and to say to the President of Peru that the deep interest of the United States in the welfare of Peru leads this Government to hope that any differences which may have arisen in that country will be settled by peaceful means and legal processes.	1142
	Mr. Howard to Mr. Bryan (telegram).	July 31	Same subject. Refers to Department's July 29 and reports that Mr. Roberto Leguía, Vice President of Peru, has been given asylum at the Italian Legation; observations on the situation.	1142
	Mr. Bryan to Mr. Howard (telegram).	Aug. 2	Same subject. The Department is gratified with the action taken by the Minister. It would be a grave misfortune should political differences result in violence.	1143
227	Mr. Howard to Mr. Bryan	.....do..	Message of the President. Transmits extracts of probable interest to the Department.	1140
228	Same to same.....	Aug. 3	Arrest, imprisonment and deportation of ex-President Leguía. Refers to his July 25 and 31 and enlarges thereon.	1143
	Mr. Bryan to Mr. Howard (telegram).	Aug. 4	Same subject. Refers to his July 31; instructs him to report exactly his action, and to do everything possible and proper to save the lives of the Leguías, first interviewing the President.	1144
	Mr. Howard to Mr. Bryan (telegram).	Aug. 5	Same subject. Refers to Department's Aug. 4. He has not yet been able to see the President. Reports further on the situation.	1144

PERU—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Howard to Mr. Bryan (telegram).	Aug. 8	Same subject. The President assures him that he will take every precaution to safeguard the ex-President; cause of his arrest; his friends are trying to persuade him to go abroad.	1144
	Same to same (telegram)...	...do....	Boundary dispute between Peru and Ecuador. The President of Peru has proposed to Ecuador, if that Government fears arbitration, that a tentative boundary line for each country be agreed on, beyond which the award should not be effective.	1157
	Mr. Pezet to Mr. Bryan....	Aug. 10	Same subject. Incloses a memorandum of the Government of Peru enlarging upon the views already expressed; historical review of the boundary dispute from 1887; reaffirmation of Peru's position; discrepancies of Ecuador's various policies; review of arbitral events in Latin America; insistence on arbitration as the only feasible means of settlement.	1157
	Mr. Howard to Mr. Bryan (telegram).	...do....	Arrest, imprisonment and deportation of ex-President Leguía. Ex-President Leguía and his son sailed this day for Panama.	1144
	Mr. Bryan to Mr. Wicker (telegram).	Aug. 11	Same subject. Instructs him to extend courtesies to ex-President Leguía on his arrival in Panama.	1145
231	Mr. Howard to Mr. Bryan.	Aug. 19	Same subject. Enlarges on previous communications; gives information showing that the Peruvian Government has recognized the right of a political refugee to seek and be accorded asylum in the legation of a foreign country; says that the departure of the ex-President appears to be due to deportation.	1145
	Mr. Wicker to Mr. Bryan (telegram).	Aug. 20	Same subject. Refers to Department's Aug. 11; he met the ex-President on his arrival and escorted him to his hotel; he will sail for New York in about two weeks.	1146
396	Same to same.....	Sept. 2	Tacna-Arica dispute between Peru and Chile; good offices of the United States and other Governments. No progress has been made since his No. 334 of Apr. 29 in the Chile-Peru negotiations; gives details of the attitude of Chile.	1234
	Same to same (telegram)...	Sept. 9	Arrest, imprisonment and deportation of ex-President Leguía. The ex-President and his sons José and Juan sailed this day for New York.	1146
	Osborne to Mr. Pezet.....	Sept. 10	Boundary dispute between Peru and Ecuador. Acknowledges his Aug. 10.	1164
	Sir Cecil Spring Rice to Mr. Bryan	...do....	Slavery in Peru; joint investigation by the Governments of the United States and Great Britain. Refers to Mr. Knox's Feb. 25 and inquires what conclusions this Government has arrived at in the matter.	1289
	Mr. Bryan to Mr. McAdoo.	Sept. 11	Arrest, imprisonment and deportation of ex-President Leguía. Requests for the ex-President and his sons the usual courtesies on their arrival in New York.	1146
	Mr. Paredes to Mr. Bryan..	Sept. 12	Same subject. Requests permission to meet the ex-President at quarantine on his arrival at New York.	1147
	Mr. Davis to Mr. Paredes (telegram).	Sept. 15	Same subject. Refers to his Sept. 12 and informs him of his request of the Treasury Department to permit him to meet the ex-President at quarantine.	1147
	Mr. Osborne to Sir Cecil Spring Rice.	Sept. 18	Slavery in Peru; joint investigation by the Governments of the United States and Great Britain. Refers to the Ambassador's Sept. 10 and replies that the Department will communicate with him further in the near future.	1289
	Mr. Bryan to Mr. Pezet....	Sept. 24	Boundary dispute between Peru and Ecuador. Acknowledges his July 18.	1164
166	Mr. Bryan to Mr. Harvey..	Oct. 1	Tacna-Arica dispute between Peru and Chile. Refers to Mr. Fletcher's No. 396 of Sept. 2 and instructs him to keep the Department informed.	1235
273	Mr. Morgan to Mr. Bryan..	Nov. 17	Same subject. Incloses copies of correspondence between the Legation of Chile in Rio de Janeiro and the Brazilian Foreign Office. Chile has apparently not yet notified Argentina of this correspondence and appears to intend awaiting the views of Brazil and the United States before doing so.	1236

PORTUGAL.

No.	From and to whom.	Date.	Subject.	Page.
		1912.		
721	Mr. Creevy to Mr. Knox....	Oct. 17	American citizenship of certain persons born in Portuguese territory; dual citizenship. Transmits copy of his despatch to the American Minister at Lisbon in the matter of refusal of Portuguese military authorities to recognize the American citizenship of Antonio Cabral Rezendes, for whom a passport to the United States is desired. Requests that steps be taken to settle the status of American-born children of Portuguese parents; also the status of Portuguese-born children of American parents, native or naturalized.	1290
325	Mr. Wilson to Mr. Creevy..	Nov. 7	Same subject. Refers to his No. 721 of Oct. 17 and incloses a passport for Rezendes, since he may be considered a citizen of the United States, being a native thereof, although of Portuguese parentage; instructs him as to the interpretation of Article 18 of the Portuguese Civil Code and the Citizenship Act of 1907.	1292
		1913.		
765	Mr. Creevy to Mr. Knox...	Feb. 27	Same subject. Refers to his despatch No. 721 and quotes letters from the American Consular Agent at Fayal showing the Portuguese attitude regarding the status of Portuguese-born children of naturalized American citizens; requests instructions.	1294
345	Mr. Adee to Mr. Creevy....	Mar. 27	Same subject. Refers to his No. 765 of Feb. 27 and incloses copy of an instruction in the matter to the American Chargé d'Affaires at Lisbon.	1295
29	Mr. Adee to Mr. Andrews..	...do....	Same subject. Incloses copy of Mr. Creevy's No. 765 of Feb. 27 and instructs him to take up the matter with the Portuguese Government; quotes the law bearing thereon; instructs him to ask that Government to recognize as American citizens persons born in Portuguese territory of American fathers, native or naturalized unless, having reached the age of 18 years, they have failed to make declaration of intention to retain American citizenship or, having reached the age of 21 years, they have failed to take the oath of allegiance to the United States.	1296
108	Mr. Andrews to Mr. Bryan.	Apr. 22	Same subject. Refers to Department's No. 29 of Mar. 27 and incloses copy of his aide mémoire to the Foreign Office in execution thereof.	1297
350	Mr. Bryan to Mr. Creevy...	May 7	Same subject. Refers to his No. 721 of Oct. 17, 1912, and incloses for his information a copy of Mr. Andrews' No. 108.	1298
806	Mr. Creevy to Mr. Bryan....	July 16	Same subject. Refers to his No. 721 of Oct. 17, 1912, and Department's No. 350 of May 7; cites cases indicating that the Portuguese authorities are still regarding as Portuguese certain persons considered by this Government to be American citizens.	1298
133	Mr. Andrews to Mr. Bryan.	Aug. 2	Same subject. Incloses copy of a note from the Foreign Office setting forth the Portuguese view of the law relating to citizenship and requesting his opinion thereon.	1299
136	Same to same.....	Sept. 5	Same subject. Refers to Department's No. 29 of Mar. 27 and incloses copy of a note from the Foreign Office; gives the substance of his reply thereto, thanking the Portuguese Government for its favorable decision of the citizenship cases brought to its attention by this Government.	1300
368	Mr. Osborne to Mr. Creevy..	Sept. 18	Same subject. Refers to his No. 721 of Oct. 17, 1912, and incloses for his information Mr. Andrews' No. 133 of Aug. 2, calling his attention to the suggestion of the Portuguese Government of a means open to American consular officers of aiding it to solve the difficulty regarding military conscription of persons claimed by this Government to be American citizens.	1302
41	Mr. Osborne to Mr. Andrews	...do....	Same subject. Refers to his No. 133 of Aug. 2, of which a copy has been sent to Mr. Creevy; indicates the instructions given to Mr. Creevy.	1302
43	Mr. Bryan to Mr. Andrews.	Sept. 26	Same subject. Refers to his No. 136 of Sept. 5; expresses the Department's gratification of the satisfactory result of the Legation's efforts in behalf of the persons relieved from military service by the Portuguese Government.	1303

SALVADOR.

No.	Fom and to whom.	Date.	Subject.	Page.
		1913.		
	Mr. Heimke to Mr. Knox (telegram).	Feb. 5	Assassination of President Araújo and succession of Carlos Meléndez to the Presidency. Reports the attempted assassination.	1304
	Mr. Taft to Mr. Araújo (telegram).	Feb. 6	Same subject. Message of sympathy	1304
	Mr. Knox to Mr. Araújo (telegram).	...do....	Same subject. Message of sympathy	1304
	Mr. Araújo to Mr. Taft (telegram).	Feb. 7	Same subject. Expression of thanks for his sympathy.	1305
	Mr. Araújo to Mr. Knox (telegram).	...do....	Same subject. Same purport as the above	1305
	Mr. Heimke to Mr. Knox (telegram).	Feb. 9	Same subject. President Araújo died this day. First Designado Carlos Meléndez has succeeded to the Presidency.	1305
	Mr. Taft to Mr. Meléndez (telegram).	Feb. 10	Same subject. Expression of sympathy	1305
	Mr. Knox to Mrs. Araújo (telegram).	Feb. 10	Same subject. Expression of sympathy	1306
	Mr. Knox to Mr. Heimke (telegram).	...do....	Same subject. Instructs him to supplement the President's message to Mr. Meléndez with an appropriate communication to the Foreign Office.	1306
283	Mr. Heimke to Mr. Knox..	Feb. 11	Same subject. Reports compliance with Department's instruction of Feb. 10.	1306
	Mr. Mejía to Mr. Knox.....	Feb. 12	Same subject. Officially informs him of the death of President Araújo and the succession of Carlos Meléndez to the Presidency.	1307
	Mr. Meléndez to Mr Taft (telegram).	Feb. 13	Same subject. Expresses gratitude for his message of sympathy.	1307
36	Mr. Knox to Mr. Mejía.....	Feb. 15	Same subject. Acknowledges his Feb. 12 and officially expresses the sympathy of this Government with that of Salvador.	1307
285	Mr. Heimke to Mr. Knox..	...do....	Same subject. Refers to his No. 283 of Feb. 11 and transmits a Foreign Office note in reply to his expression of this Government's sentiments.	1308
	Same to same (telegram)...	Feb. 18	Same subject. Reports execution of three of the assassins of President Araújo.	1308

TURKEY.

		1912.		
	Mr. Rockhill to Mr. Knox (telegram).	May 1	Sinking of the steamship *Texas* of the Archipelago-American Line in Turkish waters by Turkish batteries or mines; protest of the United States against refusal of the Turkish Government to surrender the captain thereof to American consular jurisdiction. Reports the sinking; captain probably a Greek subject; Turkish authorities may proceed against him for criminal negligence; probable lack of jurisdiction of American consular officers in the case of a Greek subject.	1310
	Same to same (telegram)...	May 3	Same subject. Suggests sending a commission to investigate the sinking.	1311
	Mr. Wilson to Mr. Rockhill (telegram).	...do....	Same subject. Instructs him to send officers to investigate as suggested.	1311
	Mr. Rockhill to Mr. Knox (telegram).	May 5	Same subject. Reports arrest of the captain, a Greek subject, and request of the Consul at Smyrna for his surrender; probable lack of consular jurisdiction; reservation, however, of all rights by the United States.	1311
	Mr. Wilson to Mr. Rockhill (telegram).	May 8	Same subject. Instructs him, as the *Texas* was an American vessel flying the American flag, to request surrender of the captain to the American Consul General at Smyrna pending determination of responsibility for the sinking.	1311
193	Mr. Rockhill to Mr. Knox..	May 10	Same subject. Incloses copy of instruction to the Consul General in pursuance of Department's instruction of May 8 and reports interview with Turkish authorities.	1312
23	Mr. Horton to Mr. Knox...	...do....	Same subject. Incloses memorandum on the subject of jurisdiction, and reply of the Turkish Government to his demand for the person of the captain of the *Texas*.	1312
	Mr. Rockhill to Mr. Knox (telegram).	May 12	Same subject. Turkish authorities claim disregard of port regulations by the captain caused sinking of the *Texas*. All reservations have been made and Turkish Government has been asked for data necessary to elucidate facts and for surrender of the captain.	1315
	Same to same (telegram)...	May 13	Same subject. Discusses the rights of the two Governments in the case and consequent jurisdiction as to the captain.	1316

TURKEY—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1912.		
	Mr. Rockhill to Mr. Knox (telegram).	May 15	Same subject. Will telegraph results of the investigation.	1316
	Mr. Wilson to Mr. Rockhill (telegram)	...do....	Same subject. Department awaits report on the investigation before sending instructions.	1317
	Mr. Rockhill to Mr. Knox (telegram).	May 16	Same subject. The investigation shows that the *Texas* violated port regulations; every precaution taken by Turkish authorities; *Texas* was sunk by a mine, in the opinion of the investigators. Official report to follow.	1317
	Mr. Knox to Mr. Rockhill (telegram).	May 29	Same subject. Department having considered the report concludes that it can not waive the rights of this Government because: American-owned ships are entitled to fly American flag in foreign ports and are internationally American vessels; a seaman of any nationality serving under that flag is subject to American jurisdiction; extraterritorial rights give jurisdiction in criminal cases. Therefore, notwithstanding probable refusal of Turkish Government, Department instructs the Ambassador specifically to request surrender of the captain to the American Consul General at Smyrna, and to reserve all rights of the United States in the premises.	1317
	Mr. Rockhill to Mr. Knox (telegram).	June 1	Same subject. The Turkish Government protests against the practice of the Archipelago-American Line to permit its ships to violate port regulations.	1318
	Mr. Knox to Messrs. Griggs, Baldwin and Baldwin (telegram).	June 4	Same subject. Advises the attorneys of the Archipelago-American Line of the purport of the above, and warns them that the protection of this Government will be withdrawn if such practice is not immediately stopped.	1319
	Mr. Knox to Mr. Rockhill (telegram).	June 5	Same subject. Informs him of purport of the above.	1319
	Mr. Knox to Mr. Horton	...do....	Same subject. Refers to Mr. Horton's No. 23 of May 10 and commends him for his treatment of the question; Incloses for his guidance a copy of Department's telegram of May 29 to Mr. Rockhill.	1320
217	Mr. Rockhill to Mr. Knox	June 12	Same subject. Incloses copy of his note to the Turkish Government in execution of the Department's instructions of May 29.	1320
	Mr. Horton to Mr. Knox (telegram).	June 26	Same subject. Reports removal of the captain to the common prison of condemned criminals.	1321
234	Mr. Rockhill to Mr. Knox	June 28	Same subject. Incloses copies of his notes verbales of June 8 and June 27, and memorandum of May 11, all directed to the Turkish Government.	1321
40	Mr. Horton to Mr. Knox	July 1	Same subject. Refers to Department's June 5 and further discusses the question of jurisdiction.	1323
	Same to same (telegram)	July 9	Same subject. Reports beginning of trial of the captain.	1324
45	Same to same	July 9	Same subject. Incloses copy of his despatch 45 to American Embassy reporting conduct of Turkish Government.	1324
	Mr. Rockhill to Mr. Knox (telegram).	July 11	Same subject. Reports renewal of his protest and request in regard to the captain.	1324
243	Same to same	July 12	Same subject. Refers to his No. 234 of June 28 and incloses copies of telegrams from and to Mr. Horton, and of his protest to the Turkish Government.	1325
245	Same to same	...do....	Same subject. Refers to his No. 243 of July 12 and incloses copies of despatches from Mr. Horton.	1326
	Same to same (telegram)	July 16	Same subject. Reports receipt of Turkish reply to Embassy's various notes concerning claim of jurisdiction over the captain.	1327
247	Same to same	July 18	Same subject. Refers to his telegram of July 16 and incloses copy of reply of the Turkish Government to the Embassy's various communications.	1327
252	Same to same	July 29	Same subject. Refers to his telegram of July 16 and despatch No. 247 of July 18 and incloses copy of his note to the Foreign Office dated July 27 replying to the note of the Turkish Government.	1328
273	Same to same	Sept. 6	Same subject. Refers to his No. 247 of July 18 and reports an interview with the Minister for Foreign Affairs on Aug. 26, and summarizes the arguments presented by each; remarks on possible claims for damages.	1330
63	Mr. Horton to Mr. Knox	Oct. 15	Same subject. Requests further instructions in case the Department has changed its position as expressed in its June 5, 1912.	1333
	Mr. Adee to Mr. Rockhill (telegram).	Oct. 18	Same subject. In view of representations by the attorneys for the steamship company owning the *Texas*, he is instructed to take such action as he may find expedient for adjusting the case.	1333

TURKEY—Continued.

No.	From and to whom.	Date.	Subject.	Page.
		1912.		
	Mr. Horton to Mr. Knox...	Oct. 22	Same subject. Incloses copy of despatches to Mr. Rockhill, regarding the imprisonment of the captain and of the present status of the case against him.	1334
300	Mr. Rockhill to Mr. Knox..	Oct. 31	Same subject. Relates his numerous and unavailing efforts to expedite the case of Captain Macris.	1335
	Mr. Knox to Mr. Rockhill (telegram).	Nov. 11	Same subject. Refers to Mr. Horton's No. 63 of Oct. 15 and instructs him to repeat to Mr. Horton the Department's instruction to continue making appropriate representations to the local authorities regarding the imprisonment of the captain of the *Texas*.	1336
	Mr. Rockhill to Mr. Knox (telegram).	Nov. 12	Same subject. Reports that sentence has been passed on Captain Macris; summarizes his instructions to Mr. Horton.	1336
316	Same to same.....	Nov. 14	Same subject. Incloses copies of correspondence with Mr. Horton referred to in his telegram of Nov. 11; also copy of his note to the Turkish Government dated Nov. 13.	1337
	Mr. Knox to Mr. Rockhill (telegram).	Nov. 19	Protest of the United States against requisition of American property by the Turkish Government for military purposes. Instruction to insist upon payment in cash or by receipt for all property of Americans requisitioned by Ottoman authorities for military purposes; and to demand most-favored-nation treatment in case of discrimination.	1339
322	Mr. Rockhill to Mr. Knox..	Nov. 21	Same subject. Refers to Department's Nov. 19 and incloses Turkish circular note on the subject, with his reply thereto; reports instructing consular officers as to most-favored-nation treatment.	1339
337	Same to same.....	Dec. 2	Sinking of the steamship *Texas* of the Archipelago American Line. Incloses Turkish reply to his note verbale of Nov. 13.	1338
		1913.		
374	Same to same.....	Jan. 31	Protest of the United States against requisition of American property by the Turkish Government for military purposes. Refers to his 322 of Nov. 21 and incloses notes subsequently exchanged.	1340
429	Same to same.....	Feb. 24	Same subject. Refers to his 374 of Jan. 31 and incloses a note verbale to the Turkish Government.	1341
481	Same to same.....	Apr. 29	Same subject. Refers to his 429 of Feb. 24 and incloses reply of Turkish Government to the note therein inclosed; also other correspondence with that Government as to occupation of foreigners, houses by Turkish troops.	1342
	Mr. Vouros to Mr. Bryan...	June 3	War between Turkey and Montenegro, Serbia, Bulgaria, and Greece. Informs him of the signing of the treaty of peace at London on May 30, 1913.	1309
494	Mr. Rockhill to Mr. Bryan.	June 6	Protest of the United States against requisition of American property by the Turkish Government for military purposes. Incloses copy of an identic note verbale to the Sublime Porte in reply to its circular note verbale Apr. 23, 1913.	1344
	Mr. Bryan to Mr. Vouros...	June 7	War between Turkey and Montenegro, Serbia, Bulgaria, and Greece. Acknowledges his June 3.	1309
503	Mr. Rockhill to Mr. Bryan..	June 17	Protest of the United States against requisition of American property by the Turkish Government for military purposes. Refers to his 481 of Apr. 29 and incloses reply of the Embassy to the Turkish note of Apr. 23 (inclosure 4 with his 481).	1345
	Mr. Philip to Mr. Bryan (telegram).	Sept. 30	War between Turkey and Montenegro, Serbia, Bulgaria, and Greece. Peace between Turkey and Bulgaria was signed Sept. 29.	1310
	Mr. de Billier to Mr. Bryan (telegram).	Nov. 14	Same subject. Turkish-Greek treaty was signed Nov. 14.	1310

URUGUAY.

	.....	1913. Nov. 15	Arbitration convention between the United States and Uruguay. Text. Proclamation.	1346

INTERNATIONAL CONVENTIONS.

For the list of international conventions, see the table of contents, p. viii.

CORRESPONDENCE.

CIRCULARS.

CERTIFICATES OF INSPECTION OF NURSERY STOCK.

File No. 811.612/50.

DEPARTMENT OF STATE,
Washington, December 21, 1912.

To the Diplomatic Officers of the United States.

GENTLEMEN: I enclose herewith copies of a circular[1] issued by the Department of Agriculture on December 20, 1912, containing the text of an Act of Congress known as the "Plant Quarantine Act," approved August 20, 1912, and the Rules and Regulations for carrying out the Act.

It is desired by the Secretary of Agriculture that you will transmit one copy of the Act to the Governments to which you are respectively accredited, inviting their special attention to the conditions imposed in Regulation 7 relating to foreign certificates of inspection and informing them that after July 1, 1913, foreign certificates of inspection of nursery stock (which are a condition of entry) will not be accepted except when issued and countersigned or officially sealed by duly authorized officials of foreign countries or their agents in accordance with the provision of the regulation mentioned, and with section 1 of the Act. After July 1, 1913, imported nursery stock not certified, or improperly certified, will be stopped at the customhouses and its entry will be impossible.

I am [etc.]

P. C. KNOX.

INTERNATIONAL RIFLE-SHOOTING TOURNAMENT.

File No. 811.4064/43.

DEPARTMENT OF STATE,
Washington, December 30, 1912.

To the Diplomatic Officers of the United States.

GENTLEMEN: I enclose herewith an invitation addressed to the riflemen of the country of your residence by Lieutenant General John C. Bates, U. S. A., Retired, President of the National Rifle Association of America, to take part in an International Rifle-Shooting Tournament to be held at Camp Perry, Ohio, in September, 1913. You may accordingly, on behalf of the Association, transmit the invitation to the Foreign Office and request that it be forwarded to the appropriate

[1] Circular No. 41, Revised.

officials to the end that it may be given publicity and come to the knowledge of those interested. In doing so you will say that the National Rifle Association of America will conduct the tournament as a private organization and that the tournament will not be under the auspices of the Government of the United States, which will, however, be glad to learn that the invitation is favorably received.

I am [etc.]

P. C. KNOX.

PLANT QUARANTINE ACT.

File No. 811.612/72.

DEPARTMENT OF STATE,
Washington, February 7, 1913.

To the Diplomatic Officers of the United States.

GENTLEMEN: With its circular instruction of December 21 last[1] the Department enclosed to you a circular issued by the Department of Agriculture on December 20, 1912, containing the text of an act of Congress known as the "Plant Quarantine Act," approved August 20, 1912, and the rules and regulations for carrying out the act.

In order that the appropriate officials of foreign countries may have the information which will enable them to comply with the requirements of the act with respect to inspection and certification, the Department of Agriculture has prepared specific directions, a print of which is enclosed herewith[2] for transmission by you to the Governments to which you are respectively accredited.

To comply with section 1 of the act and the regulations quoted in relation thereto the Secretary of Agriculture states that "it is expected that there will be for each country a chief inspection official, who will be responsible, either directly or through his assistants, for the examination and certification of all nursery stock offered for export to the United States." It may occasionally be desirable, he adds, "to have a number of such officers for the principal subdivisions of a country; but the appointment by local authorities of inspectors for towns or small districts of a country, such inspectors not being under the control of a central or chief official and not necessarily experts, will not be considered a compliance with these requirements. It is expected, in other words, that there shall be chief or State inspectors, as there now are in Holland, Belgium, and France, who will have control of the whole inspection service, through as many subordinates as the work may necessitate, and therefore this need should be presented directly to the Central Government of each country. Many of the reports so far received in relation to such foreign inspection indicate that consuls, to whom this matter has been referred, have made local inquiries, and this has led to provisions for inspection by towns or limited districts, and by local inspectors who can not be looked upon as experts and who are not responsible to any central control, and therefore not at all meeting the requirements of the Plant Quarantine Act and Regulations."

I am [etc.]

P. C. KNOX.

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[1] See ante.

[2] Not printed.

EXPATRIATION OF NATURALIZED CITIZENS.

File No. 136.2/57a.

No. 193. Special Instruction. Consular.

DEPARTMENT OF STATE,
Washington, February 28, 1913.

To the American Diplomatic and Consular Officers in Central America, Mexico, Panama, and the West Indies, and the Consular Officers in Canada.

GENTLEMEN: With reference to the circular instruction of April 19, 1907,[1] and amending instruction of May 14, 1908,[2] prescribing rules whereunder the presumption of expatriation arising against naturalized American citizens under the provision of the second paragraph of section 2 of the act of March 2, 1907, may be overcome, you are informed that the Department has come to the conclusion that exceptional treatment should be accorded certain naturalized citizens temporarily residing in countries near to the United States for reasons and in a manner not inconsistent with the retention of American citizenship and protection. Accordingly, in pursuance of the discretionary authority vested in the Department by the law mentioned, the following rule is prescribed in addition to the existing rule:

(*Special rule a*): In the case of a naturalized American citizen residing in Canada, Mexico, the West Indies, Central America or Panama, the presumption of expatriation may be overcome upon his presenting to a diplomatic or consular officer satisfactory evidence that he is employed by a legitimate corporation or company or principally engaged in any legitimate concern, which is effectively owned and controlled by a citizen or citizens of the United States and materially promotes the interests of this country, and that he intends to return to the United States to reside.

When there seems to be any doubt as to the application and effect of the above rule in a particular case the matter should be referred to the Department, with a full statement of the pertinent facts and circumstances, for its determination. In this connection it may be observed that, in the case of a person against whom the presumption of expatriation has arisen, if it is shown that he has retained in good faith in this country a residential house or other property, such fact, although not of itself decisive, should be given due weight in determining his status, and particularly the question of his intention of returning to the United States to reside.

I am [etc.]

P. C. KNOX.

Index under:
Expatriation; Citizenship.

The provisions of this circular apply to the diplomatic and consular offices in
Canada,
Central America,
Mexico,
Panama,
West Indies.

[1] For. Rel. 1907, p. 3.

[2] For. Rel. 1908, p. 2.

SPEECH OF SENATOR ELIHU ROOT IN THE SENATE, JANUARY 16, 1913, REPUDIATING SENTIMENTS ATTRIBUTED TO HIM IN RELATION TO LATIN AMERICA.

File No. 710.11/90a and 90b.

DEPARTMENT OF STATE.
Washington, January 14, 1913.

To the American Diplomatic Officers in Latin America.

GENTLEMEN: The Department learns that within the last few months articles have appeared in various newspapers in South and Central America commenting on an alleged speech of Senator Root dealing with Latin-American affairs. Senator Root is quoted as saying, among other things:

> It is only a question of time until Mexico, Central America, and the islands that we still lack in the Caribbean Sea, will be brought under our flag.

and other statements of a similar nature are attributed to him. This matter was first brought to the notice of the Department by the American Minister to Honduras[1], after an article of this character had appeared on October 26 last in "El Cronista," a newspaper in Tegucigalpa.

Upon this article being brought to his attention, Senator Root authorized the following statement, which was transmitted by cable[1] to Minister White [at Tegucigalpa], and subsequently appeared in the press of Tegucigalpa:

> WASHINGTON, *November 25, 1912.*
>
> The newspaper "El Cronista" of Tegucigalpa published on October 26, 1912, certain alleged extracts from some speech of mine.
>
> These are impudent forgeries. I never made any such speech. I never said any such things. The expressions contained in these spurious and pretended extracts are inconsistent with my opinions and abhorrent to my feelings. They are the exact opposite of the views which I have expressed on hundreds of occasions, during many years, both publicly and privately, officially and personally, and which I now hold and maintain.
>
> ELIHU ROOT.

Should newspaper articles of the character quoted above, attributing utterances of this nature to Senator Root, appear in the press of the country to which you are accredited, you will cause such publicity to be made of Senator Root's statement as in your judgment may be necessary to counteract the effect of such articles.

I am [etc.]

P. C. KNOX.

File No. 710.11/134.

DEPARTMENT OF STATE,
Washington, March 13, 1913.

To the American Diplomatic Officers in Latin America.

GENTLEMEN: Referring to the Department's unnumbered instruction of January 14 last, concerning the publication in "El Cronista," a newspaper in Tegucigalpa, of an alleged speech of Senator Root dealing with Latin-American affairs, the Department encloses herewith a copy of the Congressional Record of January 16, 1913, beginning on page 1609 of which is printed the public repudiation in the Senate by Senator Root of the sentiments attributed to him in the ar-

[1] File No. 710.11/83. Not printed.

ticle. Accompanying the Record is a translation into Spanish of Senator Root's remarks.

These papers have been sent to the Department at Senator Root's instance with the request that they be sent, through the channel of the Legation, to the Minister of Foreign Affairs of [name of country].

You are instructed to carry out this wish of Senator Root.

I am [etc.]

HUNTINGTON WILSON.

[Inclosure.]

Speech of Senator Elihu Root in the United States Senate, January 16, 1913.

[Extract from Congressional Record of January 16, 1913.]

QUESTION OF PERSONAL PRIVILEGE.

Mr. ROOT. Mr. President, I ask the indulgence of the Senate while I make a statement in a matter of personal privilege.

On the 26th of October last there was published in the newspaper "El Cronista" in Tegucigalpa, the capital of Honduras, a false and fabricated pretended speech alleged to have been made by me regarding the relations between the United States and Central and South America. I send to the desk a translation of this pretended speech, and will ask that it be printed in the RECORD as a part of my statement, without detaining the Senate by reading it in full.

ELIHU ROOT BEFORE LATIN AMERICA.

The following paragraphs of a recent speech of Mr. Root, United States Senator, ex-Secretary of State, and one of the most eminent personages of the Yankee country, ought to be known in Central America.

As follows:

"Our position in the Western Hemisphere is unique and without example in modern history. This Nation is a greater and nobler Rome, placed by God to act as arbitrator, not only in the destinies of all America, but also in Europe and Asia, through its natural resources and industrial products which supply the world. The English and German Armies are fed with the meat which we send them. The supplies which Europe buys of us it could not obtain in any other world market if our exportation was suspended.

"Our manifest destiny as controller of the destinies of all America is a fact so inevitable and logical that only the means which we should employ in order to arrive at this end are left to be discussed; but no one doubts our mission and our intention to fulfill it, or, what is more significant, of our power to accomplish it.

"In the second half of the twentieth century they who study the map will be very surprised that we should have 'waited so long' to round out the natural frontiers of our territory to the Panama Canal, and on the other side, to the Southern Continent, and that in the same manner (haya pasado con las Antillas todas, como en el viejo mundo, de no haberse encontrado el nuevo) the same should have happened to all the Antilles as happened in the Old World—that is, not to have discovered the New World, with the difference that we have no need of a Columbus, but rather of a simple joint resolution of our Congress.

"It is a question of time when Mexico, Central America, and the islands which we still lack in the Caribbean Sea shall fall beneath our flag. When the Panama Canal is open it would be as insufficient to place a sentinel only in Porto Rico, without doing the same in Cuba, as if a man tied one arm in order to row, or a lady to put in one earring to adorn herself for a feast.

"Not long ago the Porto Rican delegates, headed by the representative of that island, who has a seat in our Congress, but does not vote, visited me in order that I, as president of the committee on Latin America affairs, should inform them what policy we proposed to follow in Porto Rico, and I expressed myself more or less as follows:

"I told them that I have been, and always shall be, opposed to granting North American citizenship to the Porto Ricans, as well as to other Latin Americans who, for inevitable reasons, pass under our control. I believe that it would be prejudicial for both parties.

"As this desired citizenship from the outset would have to be understood in autonomous form, once granted greater discontent would not be long in following, maintaining that as citizens they are not equal to those of the Union.

"The granting of citizenship implies many other things and is clothed with uncertainty; and in any case it is too much to ask that we compromise ourselves for the Antilles with their handful of millions of inhabitants whose race, civilization, aspirations, and customs are not only distinct, but even antagonistic to ours.

"I told them that they were, after all, Latins, and as such, although the inheritors of glorious historic and artistic traditions and possessed of great domestic virtue and instruction, above all in abstract sciences, and a disposition for the arts, as Latins, I repeat, they understood citizenship and other fundamental principles in a different way to the Saxons; and as these principles are judged by results, we are right and they are wrong. With the Latin Americans there does not exist, nor can we have anything in

common, if we except the good will which we mutually profess; but great as are these good wishes, they do not suffice to fill the gulf which separates us.

"The United States augments in population, riches, and importance daily, and we can with difficulty take care of our own affairs, but being the case, 'why complicate our task with new lodgers in the house, as the Latin Americans converted into citizens of our great Nation cannot help but be?'

"I understand and confess that we are governing badly in Porto Rico, as we governed badly in Cuba the second time. But though we may do it badly we shall always do it better than the natives. In the Philippines, where our rule has been more strict, the results have been admirable. And the Porto Ricans, Cubans, and Filipinos should be convinced of the fact that, since our experience with the annexation of Hawaii, we will not repeat the expedient of citizenship.

"If it were possible for these Latin America nationalities to understand 'self-control' and 'self-government,' as is the case with our northern neighbors, then Pan Americanism would be a beautiful reality, without necessitating our learning to command in Spanish; but can they or do they know how to govern themselves? Let Haiti say; let Mexico say; let Colombia, Panama, Nicaragua, and, above all, Cuba, twice instructed by us, watched diplomatically since and whose present economical disorganization is as disastrous as in the colonial epochs, say. In the hands of these people is their fate; but I doubt whether it will be good unless it is beneath our protectorate.

"Did not the North American Government find itself on the eve of change to replace the present administration or to confirm it in power, no one would deny that in these hours we would have already solved the Mexican and Central American complication and given special attention to the economical affairs of the Great Antilla (Cuba). And whoever speaks of national finances, speaks of all the Government and national system. Fortunately, and soon, we shall reach a tragical position, since 'alea jacta est," and whoever of the three candidates occupies the White House, as they are of one opinion regarding foreign policy and, above all, expansion in America, the country can trust in the Congress, which with hands free will know how to second the Chief of State, as in 1812, 1845, 1861, and 1898."

This pretended speech contains most arrogant and offensive statements as to the relations which do and should exist between the United States and the Latin-American countries of these continents. I have denied over my own signature the authenticity of this speech, and my denial has been published in Tegucigalpa. I should let the matter rest there were it not that this pretended speech is being published all over Central and South America, and that some years ago, while Secretary of State, I made a visit to South America and represented the United States in many expressions of friendship toward the people of the Latin-American countries. Owing to this and to the fact that I am still connected with the Government of the United Sates, these expressions in this pretended speech are being treated by the people of Latin America as indicating either a change in the attitude of the people of the United States or insincerity in the former expressions of friendship.

I send to the desk and ask to have the Secretary read one illustration of the way in which this paper is being used. It is an extract from an editorial published in the newspaper "El Fonógrafo," of Maracaibo, Venezuela, on the 28th day of November, 1912.

The PRESIDENT PRO TEMPORE. It will be read as desired.

The Secretary read as follows:

Senator Elihu Root, who before the whole Spanish America protested, when he was Secretary of State, that the United States did not desire even 1 inch more of territory than that which it already possessed and that the sovereignty of our different States would be respected, and who praised us for our ability and aptness for self-government, by one stroke of the pen has blotted out those statements and other still stronger ones which he made in regard to the autonomy and independence of Spanish America. In his last speech he says: "All America down to Panama, including the islands of the Caribbean Sea, must be under our flag. We need Cuba, Mexico, and Central America as a man needs his two arms and a woman her two earrings."

In view of this flagrant contradiction, will there be anyone amongst us who will have a particle of faith in the friendly protests of the United States?

We must not entertain any illusions. It is evident that the United States not only do not intend to endeavor to prevent Europe from taking possession of Latin America, but they themselves pretend to become the arbiters of our political and commercial destinies.

Mr. ROOT. Because of the use which is being made of this publication by the enemies of the United States, by the men who wish to stir up strife and create ill feeling between the Latin-American countries and the United States, I wish to repeat here in the most formal and public manner, and to make a public record of the denials which I have already made as to the authenticity of this pretended speech.

The alleged expressions which are thus imputed to me are impudent forgeries. I never made any such speech. I never said any such things or wrote any such things. The expressions contained in these spurious and pretended extracts are inconsistent with my opinions and abhorrent to my feelings. They are the exact opposite of the views which I have expressed on hundreds of occasions during many years, both publicly and privately, officially and personally, and which I now hold and maintain. I will add, Mr. President, that they are inconsistent with the views and the feelings of the great body of the American people.

DECLARATION OF POLICY WITH REGARD TO LATIN AMERICA.

File No. 710.11/102a.

[Circular—Telegram.]

DEPARTMENT OF STATE,
Washington, March 12, 1913—1 p. m.

To the American Diplomatic Officers in Latin America.

In view of questions which are naturally uppermost in the public mind just now, the President issued the following statement to the public, March 11, 1913.

"One of the chief objects of my administration will be to cultivate the friendship and deserve the confidence of our sister republics of Central and South America, and to promote in every proper and honorable way the interests which are common to the peoples of the two continents. I earnestly desire the most cordial understanding and cooperation between the peoples and leaders of America and, therefore, deem it my duty to make this brief statement.

"Cooperation is possible only when supported at every turn by the orderly processes of just government based upon law, not upon arbitrary or irregular force. We hold, as I am sure all thoughtful leaders of republican government everywhere hold, that just government rests always upon the consent of the governed, and that there can be no freedom without order based upon law and upon the public conscience and approval. We shall look to make these principles the basis of mutual intercourse, respect, and helpfulness between our sister republics and ourselves. We shall lend our influence of every kind to the realization of these principles in fact and practice, knowing that disorder, personal intrigues, and defiance of constitutional rights weaken and discredit government and injure none so much as the people who are unfortunate enough to have their common life and their common affairs so tainted and disturbed. We can have no sympathy with those who seek to seize the power of government to advance their own personal interests or ambition. We are the friends of peace, but we know that there can be no lasting or stable peace in such circumstances. As friends, therefore, we shall prefer those who act in the interest of peace and honor, who protect private rights, and respect the restraints of constitutional provision. Mutual respect seems to us the indispensable foundation of friendship between states, as between individuals.

"The United States has nothing to seek in Central and South America except the lasting interests of the peoples of the two continents, the security of governments intended for the people and for no special group or interest, and the development of personal and trade relationships between the two continents which shall redound to the profit and advantage of both and interfere with the rights and liberties of neither.

"From these principles may be read so much of the future policy of this Government as it is necessary now to forecast, and in the spirit of these principles I may, I hope, be permitted with as much confidence as earnestness to extend to the Governments of all the Republics of America the hand of genuine disinterested friendship, and to pledge my own honor and the honor of my colleagues to every enterprise of peace and amity that a fortunate future may disclose."

BRYAN.

PEACE PLAN OF THE PRESIDENT.

File No. 711.0012/64.

Statement made by the Secretary of State on April 24, 1913, on presenting the President's Peace Plan to the Representatives, some thirty-six in number, of the Foreign Governments, who constitute the Diplomatic Circle at Washington.

YOUR EXCELLENCIES: I have called you together in order that I may present to you all, simultaneously, a plan for the promotion of peace which I am directed by the President to submit. It reads as follows:

The parties hereto agree that all questions of whatever character and nature, in dispute between them, shall, when diplomatic efforts fail, be submitted for investigation and report to an international commission (the composition to be agreed upon); and the contracting parties agree not to declare war or begin hostilities until such investigation is made and report submitted.

The investigation shall be conducted as a matter of course upon the initiative of the commission, without the formality of a request from either party; the report shall be submitted within (time to be agreed upon) from the date of the submission of the dispute, but the parties hereto reserve the right to act independently on the subject matter in dispute after the report is submitted.

You will notice that it is very brief and deals only with the principles involved, not with the details which must be considered in embodying the principles in diplomatic form. The President's object is to hasten universal peace. All arbitration treaties contain certain exceptions—that is, certain questions are not to be submitted to arbitration, and, as these questions are of the highest importance, they are likely to become themselves a cause of war.

The plan proposed by the President, through you, to the nations which you represent, is intended to supplement the arbitration treaties now in existence and those which may be hereafter made. It is intended to subject to investigation those disputes which have not up to this time been considered fit subjects for arbitration. It is based upon the belief that we have now reached a point in the progress of civilization when nations cannot afford to engage in war before the cause of the war is impartially investigated and openly declared to the world. It is believed that the period of investigation—a time to be fixed by agreement, and which may be different in different agreements—will enable the parties to the controversy to separate questions of fact from questions of national honor and reach some amicable adjustment of their differences. The period of investigation will also allow passion to subside and the great forces that work for peace to assert themselves. When men are excited they talk about what they can do; when they are calm and capable of deliberation they talk about what they ought to do. And this is true of nations as well as of individuals. Public opinion is an increasing force in the world, and the time provided for investigation permits the formation and expression of public opinion.

You will note that while the proposed plan provides for the investigation of all questions which do not yield to diplomatic treatment, it reserves to each of the contracting nations the right to act independently after the investigation is concluded. If, after the time

specified elapses and after the results of the investigation are made known, the nations still desire war, they are at liberty to settle their differences with the sword, but it is believed that this will seldom be the case and it is hoped that this agreement when entered into will make war between the contracting parties a remote possibility.

The plan as outlined does not prescribe the method by which the commission will be created. This is a matter of detail which is left for discussion. It may differ in the different agreements entered into, but it is desired that the commission shall be permanent in character, in order that the investigation may be made by the commission, upon its own initiative, without the formality of a request from either party. This is suggested because of the fear that in times of excitement neither party might be willing to ask for investigation lest such a request be regarded as an evidence of weakness.

In the original draft, as presented to the Foreign Relations Committee of the Senate, a suggestion was made that the period of investigation should not be utilized for a change in the naval program of the contracting nations, but this is a detail which has been omitted from the plan as proposed because it was feared that different nations might look upon it from different standpoints.

The plan has been made as simple as possible and everything has been eliminated except the things which seem essential to its success, and this Government stands ready to discuss with those Governments which are willing to enter into such an agreement such details as it may be necessary to consider.

In conclusion, let me assure you that I am very much gratified to be the medium through which the President presents this plan to the nations represented here, and I esteem myself fortunate to occupy the office with which the President has honored me at the time when the step is taken in the interest of peace. Our nation desires to use its influence for the promotion of the world's peace, and this plan is offered by the President with the hope that its acceptance by the nations will exert a large influence in this direction.

I thank you for your courtesy in coming at this time and giving me your attention. I hand to each one of you a copy of the plan as outlined, and on behalf of the President, I respectfully invite your cooperation in putting it into effect.

File No. 711.0012/102a.

To the diplomatic officers of the United States in Argentina, Austria-Hungary, Belgium, Bolivia, Brazil, China, Denmark, Dominican Republic, France, Germany, Great Britain, Haiti, Italy, Netherlands, Norway, Peru, Portugal, Russia, Spain and Sweden.

DEPARTMENT OF STATE,
Washington, July 7, 1913.

SIR: The following nations: Argentina, Austria-Hungary, Belgium, Bolivia, Brazil, China, Denmark, France, Germany, Great Britain, Haiti, Italy, Netherlands, Norway, Peru, Portugal, Russia, Santo Domingo, Spain and Sweden, have announced their acceptance

of the principle embodied in the President's peace plan, a copy of which I herewith enclose.

I have submitted to the Washington representatives of those countries a copy of a memorandum, which I also enclose, covering the suggested details. It occurs to me that it might be well for you to supplement the work that is being done through the representatives here by bringing these details to the attention of the Foreign Office and explaining them. They are offered merely by way of suggestion and we are prepared to consider anything that the other countries may suggest as a means of perfecting the plan.

It is very gratifying to the President and to myself that the plan has been so quickly and so widely accepted. We believe that it will go forward toward the prevention of war, and I think that by fall we will have reached an understanding with all the nations in regard to both the principle and the details and thus be able to complete the treaties during the present year.

I am [etc.] W. J. BRYAN.

PRESIDENT WILSON'S PEACE PROPOSAL.

The parties hereto agree that all questions of whatever character and nature, in dispute between them, shall, when diplomatic efforts fail, be submitted for investigation and report to an international commission (the composition to be agreed upon); and the contracting parties agree not to declare war or begin hostilities until such investigation is made and report submitted.

The investigation shall be conducted as a matter of course upon the initiative of the commission, without the formality of a request from either party; the report shall be submitted within (time to be agreed upon) from the date of the submission of the dispute, but the parties hereto reserve the right to act independently on the subject matter in dispute after the report is submitted.

SUPPLEMENTARY MEMORANDUM BY THE SECRETARY OF STATE.

In the peace plan proposed by the President to all the nations, the composition of the International Commission is left to agreement between the parties, and I am authorized to suggest for the consideration of those who are willing to enter into this agreement:

1. That the International Commission be of five members, to be composed as follows: one member from each of the contracting countries, to be chosen by the Government; one member to be chosen by each of the contracting countries from some other country, and the fifth member of the Commission to be agreed upon by the two Governments, the Commission to be appointed as soon as convenient after the making of the treaty, vacancies to be filled according to the original appointment.

2. The time also is to be agreed upon, and it is suggested that that time be one year. If a year is considered too long or too short, this Government will consider either a greater or a less period.

3. This Government is prepared to consider the question of maintaining the status quo as to military and naval preparation during the period of investigation, if the contracting nation desires to include this, and this Government suggests tentatively that the parties agree that there shall be no change in the military and naval program during the period of investigation unless danger to one of the contracting parties from a third power compels a change in said program, in which case the party feeling itself menaced by a third power, shall confidentially communicate the matter in writing to the other contracting party and it shall thereupon be released from the obligation not to change its military or naval program, and this release will at the same time operate as a release of the other contracting party. This protects each party from the other in ordinary cases, and yet provides freedom of action in emergencies.

All of these suggestions, however, are presented for consideration, and not with the intention of imposing any fixed conditions. The principle of investigation being accepted, the details are matters for conference and consideration.

File No. 711.0012/146a.

To the diplomatic officers of the United States in Argentina, Austria-Hungary, Belgium, Bolivia, Brazil, Chile, China, Costa Rica, Cuba, Denmark, Dominican Republic, France, Germany, Great Britain, Guatemala, Haiti, Italy, Netherlands, Norway, Peru, Portugal, Russia, Spain, and Sweden.

DEPARTMENT OF STATE,
Washington, August 12, 1913.

SIR: I transmit herewith a copy of the treaty entered into on the 7th instant with Salvador.[1] You will notice that it embodies all of the details suggested in connection with the President's plan for securing investigation in all cases of dispute. While Salvador was willing to have the treaty made in exact accordance with the suggestions submitted, you will make it clear to the Government to which you are accredited that the suggestions in regard to details are purely tentative and that we are ready to consider any modifications that may be suggested. Our chief purpose is to secure investigation in all cases whatsoever and time for deliberation before any declaration of war or commencement of hostilities.

Twenty-six nations have now endorsed this principle, and these nations represent more than four-fifths of the population of the world.

It is not expected that all of the countries will agree to the same details and it is not at all necessary that the several treaties shall be identical in language. Please make this clear and let us know what suggestions the [blank] Government has to make and when it is ready to take up the matter with a view to agreeing upon a treaty.

I am [etc.]

W. J. BRYAN.

File No. 711.0012/193a.

To the diplomatic officers of the United States in Argentina, Brazil, Chile, France, Germany, Great Britain, Italy and Peru.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, September 23, 1913.

The Department desiring to complete negotiations for a treaty according to the President's plan, already sent you, providing for investigation in all cases, the principle of which has already been accepted, you will see the Minister for Foreign Affairs and urge consideration of details; if those submitted by the Department are unsatisfactory any changes desired will be cheerfully considered. Treaties embodying the principle and the details as submitted have been signed by Guatemala, Panama, and Salvador.

BRYAN.

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[1] To be printed when proclaimed.

File No. 711.0012/238a.

To the diplomatic officers of the United States in Argentina, Austria-Hungary, Belgium, Bolivia, Brazil, Chile, China, Costa Rica, Cuba, Dominican Republic, Ecuador, France, Germany, Great Britain, Greece, Haiti, Italy, Persia, Peru, Portugal, Russia, Siam, Spain, Sweden, Switzerland, Uruguay and Venezuela.

DEPARTMENT OF STATE,
Washington, December 18, 1913.

SIR: I enclose herewith a copy of the treaty with Salvador,[1] which provides for investigation in all cases of disputes. Four other treaties, identical in language, have been signed with Guatemala, Panama, Honduras and Nicaragua. We have just signed a treaty with the Netherlands, a copy of which is also enclosed.[1] You will notice by comparing the two treaties that the chief point of difference lies in the elimination from the Netherlands treaty of the entire section relating to the military and naval status. This Government has at all times been willing to omit this section or to modify it to suit the wishes of contracting nations. There are some minor changes, the two principal being: first, the provision requiring the nations to furnish the necessary facts during investigation; and, second, the provision that the fifth member of the commission shall not be a citizen of either contracting country. I send you the copy of the treaty with the Netherlands in order that you may bring it, and the Salvador treaty again, to the attention of the Government to which you are accredited in the hope that we may reach an early agreement in regard to details and be ready to sign the treaty within a short time.

The President in his recent message expressed gratification that thirty-one nations had accepted the principle of the proposed peace plan. These nations comprise more than three fourths of the population of the world. We feel that the treaties made in accordance with this plan take a long step in advance, and are much pleased that the plan has been so generally approved.

I am [etc.]

W. J. BRYAN.

PROHIBITION OF IMPORTATION OF AIGRETTES, EGRET PLUMES, ETC.

File No. 611.006/81.

DEPARTMENT OF STATE,
Washington, October 29, 1913.

To Diplomatic Officers of the United States.

GENTLEMEN: Paragraph 347 of the Tariff Act of October 3, 1913, contains the following provision:

> That the importation of aigrettes, egret plumes or so-called osprey plumes, and the feathers, quills, heads, wings, tails, skins, or parts of skins, of wild birds, either raw or manufactured, and not for scientific or educational purposes, is hereby prohibited; but this provision shall not apply to the feathers or plumes of ostriches, or to the feathers or plumes of domestic fowls of any kind.

[1] To be printed when proclaimed.

Out of abundant caution and with a view to obviating any occasion for embarrassment to the ladies of your families, the Department brings to your knowledge that this prohibition extends to the prohibited plumage when brought in as baggage, notwithstanding the fact that it may form the trimming of hats or other wearing apparel, and that the customs officers of the United States have been instructed by the Treasury Department to remove such plumage from the hats of women passengers arriving in ports of the United States. No exception will be made in the cases of ladies of the families of diplomatic officers of the United States.

I am [etc.]

For the Secretary of State:
JOHN B. MOORE.

INVITATION TO THE PANAMA-PACIFIC INTERNATIONAL EXPOSITION TO BE HELD AT SAN FRANCISCO IN 1915.

File No. 811.607 G/289.

DEPARTMENT OF STATE,
Washington, September 17, 1913.

To the diplomatic officers of the United States.

GENTLEMEN: The Department by its circular of February 5, 1912,[1] invited, in pursuance of the Joint Resolution of Congress approved February 15, 1911, and on behalf of the Government and people of the United States, the nations of the earth to participate in the Panama-Pacific International Exposition to be held at San Francisco, California, in 1915, for the purpose of celebrating the completion of the Panama Canal; and it directed you to communicate the President's invitation to the Governments to which you are accredited.

Congress, in the Naval Appropriation Act approved March 4, 1911, provided further, as follows:

> The President is further authorized and respectfully requested, in extending his invitation to the foreign nations in pursuance of the aforesaid joint resolution of Congress, to invite their representatives and their fleets to assemble at Hampton Roads, Virginia, and from thence come to the city of Washington, there to be formally welcomed by the President; and, at the conclusion of the ceremonies at Washington, the President is requested to proceed to Hampton Roads and there review the assembled fleets as they start on their voyage to the city of San Francisco.

In pursuance of the above provision, you are now instructed to convey to the Governments to which you are accredited an invitation from the President to send representatives and as many of their national war vessels as they may deem proper to Hampton Roads, Virginia, to arrive there early in 1915, at a date to be subsequently communicated.

The President will, as contemplated by the Act, welcome the representatives of the foreign nations accepting the invitation on their arrival at Washington, and on the conclusion of the ceremonies at the capital the President will proceed to Hampton Roads where he will review the assembled fleets as they start on their voyage to San Francisco, where they will take part in the opening of the Panama-Pacific Exposition.

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[1] For. Rel 1912, pp. 4–5.

In communicating this invitation to the Governments to which you are accredited, you will express the pleasure which the President would feel should they decide to accept it by appointing representatives and by sending as many of their national war vessels as they may deem proper to assemble at Hampton Roads as above indicated.

I am [etc.]

W. J. BRYAN.

File No. 811.607G/443.

DEPARTMENT OF STATE,
Washington, November 25, 1913.

To the diplomatic officers of the United States:

GENTLEMEN: On September 17, 1913, the Department addressed to the diplomatic officers of the United States a circular in which, pursuant to the provision in the Naval Appropriation Act approved March 4, 1911, they were instructed to convey to the Governments to which they are accredited an invitation from the President of the United States to send representatives and as many of their national war vessels as they may deem proper to Hampton Roads, Virginia, to arrive there early in 1915, at a date to be subsequently communicated for the purpose of participating in the celebration of the completion of the Panama Canal.

It is further set forth in the circular of September 17, 1913, that:

> The President will, as contemplated by the Act, welcome the representatives of the foreign nations accepting the invitation on their arrival at Washington, and on the conclusion of the ceremonies at the capital the President will proceed to Hampton Roads, where he will review the assembled fleets as they start on their voyage to San Francisco, where they will take part in the opening of the Panama-Pacific Exposition.

The Department having received an inquiry as to whether by "representatives" is meant naval officers commanding war vessels or additional representatives of the Government to which the invitation was extended, and being desirous that no misunderstanding arise as to this Government's invitation concerning the quality of such representatives, will be glad to have you inform the Governments to which you are accredited that the naval program to be carried out at Hampton Roads and at Washington before the fleet starts on its journey through the canal, is entirely distinct from the more extensive ceremonies to be held at San Francisco after the Exposition shall have been opened, and that therefore the "representatives" that are to assemble with the fleets at Hampton Roads are to be naval representatives only. These naval representatives are not, however, to be only officers of the Navy in a military sense, but also civil officials of the Navy, such as Lords of the Admiralty and Ministers of Marine.

In communicating this information to the Governments to which you are accredited you will express the earnest hope that as many of these officials as possible will honor the occasion with their presence.

I am [etc.]

For the Secretary of State:
J. B. MOORE.

ARGENTINA.

PRESENTATION OF A STATUE OF GEORGE WASHINGTON TO ARGENTINA BY AMERICAN CITIZENS RESIDENT THERE.[1]

File No. 835.413W27/7.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Buenos Aires, June 30, 1913.

In celebration of the centenary of Argentine independence, American citizens resident in Buenos Aires will present to the Argentine Nation a noble monument to Washington. On the fourth of July I shall make the presentation in behalf of the American Colony, and the gift will be accepted by President Saenz Peña in person. Not only our fellow-citizens here, but the Argentine Government, the public and the press would highly appreciate a message on that occasion from the President.

GARRETT.

File No. 835.413W27/7.

The President to the President of Argentina.

[Telegram.]

THE WHITE HOUSE,
Washington, July 4, 1913.

On the occasion of Your Excellency's acceptance of the monument to George Washington, presented to the Argentine Nation on this anniversary day of the independence of the United States by American citizens resident at Buenos Aires, in celebration of the centenary of Argentine independence, I offer to Your Excellency my congratulations on the progress made by the Argentine Nation and its high standing among the nations of the world. I trust that in this noble monument Your Excellency will see a lasting evidence of the enduring friendship and good will which the American people entertain for the people of Argentina.

WOODROW WILSON.

File No. 835.413W27/8.

The American Minister to the Secretary of State.

No. 187.] AMERICAN LEGATION,
Buenos Aires, July 5, 1913.

SIR: I have the honor to report that the celebration of the 4th of July in Buenos Aires this year was a marked success. It was made

[1] Continued from For. Rel. 1911, pp. 5–7.

especially noteworthy by the presentation of the statue of Washington, the gift of resident Americans to the Argentine Nation. The President, the Vice President, the Chief Justice, the President of the Senate, nearly all the Cabinet and other high officials of the Government attended the unveiling and great appreciation was shown of the monument. The American colony here is neither large nor wealthy when compared to the other foreign colonies and it is all the more credit to them therefore that they have erected and presented the most dignified and noble of all the monuments in Buenos Aires. After the dedication, the Monument Committee, composed of Messrs. Edmund P. Graves, Chairman, George E. Fuller, Secretary, James A. Wheatley, Treasurer, John C. Zimmermann, Arthur J. Simmons and Alfred Zucker, presented commemorative plaques to the invited guests. Two of the plaques were in gold, the rest in silver and bronze. The gold ones were intended for the Presidents of the two nations. At the request of the Committee I have the honor to send in the pouch herewith the plaque for President Wilson, and I respectfully request that it be delivered to him in the name of the Committee. The Committee, the American colony in general, as well as the President and officials of the Government were greatly pleased and touched by President Wilson's message.

Clippings from the newspapers giving good accounts of the proceedings and photographs of the monument are enclosed herewith.

I have [etc.]

JOHN W. GARRETT.

[Inclosure—Extract from the "Standard" (Buenos Aires) of July 5, 1913.]

No further evidence of the very friendly relations existing between the two greatest American Republics is necessary than the ceremony of the official presentation to the Argentine Nation of the George Washington statue at Palermo yesterday. The statue is the work of Mr. Charles Keck, a prominent New York sculptor, who was commissioned by the following committee of local United States residents:

Edmund P. Graves, chairman; George E. Fuller, secretary; James A. Wheatley, treasurer; John C. Zimmermann, Arthur J. Simmons and Alfred Zucker.

The statue is of bronze and is a reproduction of the one which stands in front of the New York Treasury building in Wall Street. It is 2.30 metres high, and represents the Father of his Country in the Colonial dress of the period in the act of speaking, having risen from his chair.

The pedestal, which is of Deer Island, Maine, granite, was designed and erected by Mr. Alfred Zucker, the well-known architect of this city, and forms an artistic finish which is in perfect harmony with the surroundings.

Engraved in the upper panel of the base of the monument is the following inscription in golden letters:

George Washington.
A la Nación Argentina
en conmemoración de
su centenario
M.C.M.X.
Los Ciudadanos de los
Estados Unidos de America
Residentes en la Republica

The site of the monument is a most happy one in the Parque 3 de Febrero, fronting the magnificent lake of the "Pabellón de los Lagos." The large trees and rare plants on either side and in the rear form an ideal background for such an imposing work. The base and pedestal of the monument yesterday were gaily bedecked with the colours and coats of arms of both nations.

The Honorable John Work Garrett initiated the proceedings by calling upon Mr. Arthur J. Simmons to address the gathering in the name of the United States residents.

ADDRESS BY MR. ARTHUR J. SIMMONS REPRESENTING THE MONUMENT COMMITTEE.

Mr. President, Your Excellencies, Ladies and Gentlemen: By permission of the municipal government, and honoured by the presence of His Excellency the President of the Nation and other high officials of State, we are assembled for an unusual event.

It is a significant occasion, in commemoration of the rounding out of the first century of a national growth and development. No great nation has ever yet come into existence and maintained its government without struggle, turmoil, strife. Humanity's destiny is upward and forward. The masses rise and advance through struggle, but the struggle is most courageously carried forward when led by patriotic action, and the rise is most rapid when leavened by patriotic wisdom. Intrepid patriotism is sublime. All peoples of the earth meet crises. In the supreme moment of coping with those crises, when humanity's fate hangs in the balance, to waver is fatal, firm resolutions must be adopted, and fearless, decisive action follow to enforce them. Perilous indeed, with consequences immeasurable, far-reaching and long-lasting, affecting the lives and well-being of future generations, is the crisis that pertains to the momentous question of the fundamental principles of government. Argentina has met, struggled with, passed through, conquered and risen above the peril of this crisis in her history. And a pause has been made, at the first hundred-year mark, for the world to take note of the growth and development of this independent and progressive people. It is, indeed, significant.

The celebration of the Centennial of that glorious and memorable 25 de Mayo de 1810 by the Government and people of Argentina afforded an opportunity for the various foreign communities here resident, whose members still own allegiance to their respective native governments, to show their goodwill; to offer some token that might long stand as an expression of their appreciation for the Government and people of the land of their sojourn; for her Government which welcomes them and guarantees to all the enjoyment of the rights and privileges of labour, trade, commerce, and the untrammelled effort for the gratification of that universal desire—the pursuit of happiness; for her people toward whom we are drawn with such fascination, with whom we labour and dwell in such concord, among whom we count such warm-hearted friends and genial companions.

No more appropriate date could be chosen for the ceremony of presenting the memorial which we of the northernmost republic have been privileged to proffer, than this, July 4th, the anniversary of the day when the first formal declaration of inalienable individual rights and the principle of free and independent government in the western hemisphere was solemnly adopted and boldly proclaimed to the world.

We citizens of the United States of America who reside in Argentina, in choosing the emblem that might permanently stand as our expression of good will, have deemed it highly fitting for the occasion as being the most suitable manner by which our community here resident might convey its sentiment, as being the most representative of the friendly spirit from our home land, as being the means of most delicately touching and vibrating the mystic chords of sympathy between liberty-loving peoples, that the token should be a figure of that man whose character stands out, pre-eminent, as symbolic of Liberty, Independence and Republicanism in the New World.

Here, in the presence of this assembly, on this magnificent site, in this beautiful Palermo Park, to stand under the blue canopy of Argentina's skies, is now to be unveiled a statue of the immortal Washington. The stalwart form, the stately figure, the expressive features, the serene countenance of the patriot, statesman and gentleman seem to breathe forth the spirit of his sublime faith in the justice and ultimate triumph of the cause to which he so zealously devoted his life, and of which he himself said: "Our cause is noble, it is the cause of mankind."

No nation, no continent, produces many men whose fame becomes world-wide, and whose characters live in history. We of North America have one, you of South America have another, standing out with transcendental distinction. Though they laboured not contemporaneously, yet the life-long activities of the

one corresponded to those of the other in the same formative period of their respective country's history. The same high ideals of patriotism fired the strong passions of both to consecrate their lives to the same noble cause of mankind. It is, therefore, with appropriate fitness, on this notable occasion, that we link to the name and fame of our immortal Washington, the name and fame of that other patriot, Argentina's immortal San Martín.

And now we, the posterity of the one, dedicate this memorial to you, the posterity of the other, and fervently exclaim: "Viva la República!"

PRESENTATION OF THE STATUE BY THE AMERICAN MINISTER.

The orator of the day has well and eloquently expressed the feelings of our fellow-countrymen and countrywomen resident in the Argentine Republic towards the great Republic in which they live.

It is my privilege, on their behalf, to present the noble testimony of their sentiments.

Before doing so I am happy to be able to read the following telegram:

"THE WHITE HOUSE.
"*Washington, July 4th.*

"On the occasion of Your Excellency's acceptance of the monument to George Washington, presented to the Argentine Nation on this anniversary day of the independence of the United States by American citizens resident at Buenos Aires, in celebration of the centenary of Argentine independence, I offer to Your Excellency my congratulations on the progress made by the Argentine Nation and its high standing among the nations of the world. I trust that Your Excellency will see in this noble monument a lasting evidence of the enduring friendship and goodwill which the American people entertain for the people of Argentina.

"WOODROW WILSON."

I ask you, Mr. Minister, acting in the name of His Excellency the President, to accept this monument as our tribute to the glorious achievement of the first centenary of independence and of the esteem and friendship we entertain towards our great sister nation.

ACCEPTANCE OF THE STATUE BY THE MINISTER FOR FOREIGN AFFAIRS.

The honour falls to me to interpret the sentiments of His Excellency the President of the Nation and to give testimony of the gratitude of Argentina for the gift of this beautiful monument, which is destined to perpetuate in the eternal beauty of art the friendly participation of the North American residents in our Centenary celebrations.

It is a happy and memorable circumstance that this ceremony should take place on the anniversary of that day on which, proclaiming the Independence of the United States, your forefathers gave life to a new nation which was destined to astonish the whole world by her marvellous progress. Nor is that circumstance less worthy of record that you should have had the praiseworthy idea to offer us as your gift a statue of the noble American who stood and stands first in the affections of your fellow-citizens and whose memory is held in veneration by all free men.

Washington holds high place in this, the fatherland of San Martín. His intellect and his work have received deep echo in the thoughts of our statesmen and in the spirit of our people from the earliest hours of Argentine nationality. He was a stimulant and an example to our ancestors. His effigy is the highest symbol of all that constitutes the greatness of your nation, which has inspired ours by the wisdom of her laws and the reality of her democracy.

Your Excellency; Gentlemen!

I express the wish that the statue of George Washington, rising amongst these trees, may help the children of the great northern Republic to feel more at home in this land from today onwards and that every day the bonds of honest friendship which unite our countries may be strengthened more and more and that the policy of the two Governments may be urged towards the same ideal of liberty and justice.

The reply of His Excellency Doctor Roque Saenz Peña to the telegram of the President of the United States is as follows:

THE PRESIDENT OF ARGENTINA TO THE PRESIDENT.

In the person of Your Excellency I greet the great sister nation on the occasion of the glorious anniversary of your Independence, and sincerely return thanks for your felicitous greetings to the Argentine Nation on this day, when we receive with satisfaction and gratitude the statue of the great American, George Washington. It has given me great pleasure to assist at the unveiling of the monument consecrated to the immortal memory of the great Republic. Washington in North America and San Martín in the South are examples of character and citizenship that have modelled the soul of new nationalities and guided their destinies. May the monument which I have just unveiled be an eternal symbol of friendship between these two nations, which are developing their dominions amid ideals of democracy and republicanism. I beg Your Excellency on this day of happy memory for America to accept the sentiments of friendship and sympathy of the Argentine Government and people for the people of the United States and for Your Excellency's personal wellbeing.

File No. 835.413W27/10.

The American Consul General to the Secretary of State.

No. 778.] AMERICAN CONSULATE GENERAL,
Buenos Aires, July 18, 1913.

SIR: I have the honor to transmit herewith one of the bronze medals commemorating the presentation to the Argentine Nation of a statue of George Washington by American citizens resident in Argentina, for such disposition as the Department may care to make of it.

I have [etc.]

R. M. BARTLEMAN.

File No. 835.413W27/9.

The Secretary of State to the American Minister.

No. 87.] DEPARTMENT OF STATE,
Washington, August 27, 1913.

SIR: Referring to your No. 187, of July 5th last, the Department desires to say that it is directed by the President to ask you to convey to the George Washington Monument Committee of Buenos Aires an expression of his deep appreciation of its courtesy in forwarding to him the gold plaque struck to commemorate the dedication of the Washington monument at Buenos Aires on July 4th last.

I am [etc.]

For Mr. Bryan:
J. B. MOORE.

File No. 835.413W27/11.

The Secretary of State to the American Consul General.

DEPARTMENT OF STATE,
Washington, September 13, 1913.

SIR: Referring to your despatch No. 778 of July 18, 1913, there is enclosed for your information a copy of a letter from the Acting

Librarian of Congress acknowledging the receipt of photographs and a bronze medal commemorating the presentation to the Argentine nation of a statue of George Washington, by American citizens resident in Argentina.

I am [etc.]

For Mr. Bryan:
WILBUR J. CARR.

[Inclosure.]

The Acting Librarian of Congress to the Secretary of State.

LIBRARY OF CONGRESS,
Washington, August 27, 1913.

SIR: I beg to acknowledge the Department's letter of August 23,[1] with accompanying despatch from the American Consul-General at Buenos Aires Argentina, transmitting a bronze medal (with three photographs) commemorating the presentation to the Argentine Nation of a statue of George Washington, by American citizens resident in Argentina.

I write for the Librarian to express our satisfaction in the possession of this medal, and our hearty acknowledgments to the Department for including this the National Library of the United States, as the recipient of it.

We assume that no acknowledgment from the Library is to go to the Consul General. If one should be expedient, we shall be happy to transmit it.

Very respectfully,

H. H. B. MEYER.

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[1] Not printed.

AUSTRIA-HUNGARY.

NATURALIZATION CONVENTION OF 1871 VIOLATED BY THE ARREST AND IMPRISONMENT IN AUSTRIA-HUNGARY OF NATURALIZED AMERICAN CITIZENS ON THE CHARGE OF EVASION OF MILITARY SERVICE.

File No. 363.117R271.

The Secretary of State to the American Chargé d'Affaires.

No. 305.] DEPARTMENT OF STATE,
Washington, July 16, 1913.

SIR: The Department sends you herewith a copy of a letter[1] of July 9, from Mr. Morris Reich, of New York City, concerning the arrest in Galicia of his brother, Julius Reich, a naturalized citizen of the United States. It appears that his brother was kept in jail in Pruchnik from June 2 until June 6, and that his naturalization certificate, which was taken up by the local officials, as well as forty dollars which he was required to pay as a bond, was never returned to him. It appears further that this case has already been presented to you and that you have communicated with the Foreign Office in Vienna concerning it.

From the application upon which passport No. 3644 was issued to Julius Reich April 23, 1913, it appears that he was born in Lubaczow, Austria, August 15, 1888, emigrated to this country December 11, 1899, and obtained naturalization as a citizen of the United States in the United States District Court for the Eastern District of New York, April 28, 1911.

From the information before the Department it does not appear that Mr. Reich, who left Galicia and came to this country when a young boy, was liable to punishment under the provision of the second article of the Naturalization Convention of 1871 between the United States and Austria-Hungary. So far as the Department is informed the arrest and imprisonment of Mr. Reich and the retention of his naturalization certificate and bond were entirely unwarranted, and it is inferred that the apparent injustice was due to the error of overzealous local officials. If, as a result of your inquiries, this appears to be the case, you will please express the earnest hope of this Government that such instructions will be issued to the local officials that cases of this kind may not arise in the future. You will also ask for the immediate return of Mr. Reich's certificate of naturalization and the money referred to.

I am [etc.]

For the Secretary of State:
J. B. MOORE.

[1] Not printed.

File No. 363.117/8.

The American Chargé d'Affaires to the Secretary of State.

No. 514.] AMERICAN EMBASSY,
Vienna, August 4, 1913.

SIR: In view of the oft-recurring arrest and imprisonment in Austria-Hungary of naturalized American citizens on the charge of evasion of military service, and of the instructions contained in the last paragraph of the Department's No. 305 of the 16th ultimo. I addressed a note dated the 2nd instant to the Minister for Foreign Affairs, a copy of which is enclosed, calling his attention to the frequency of these cases and expressing the hope that the various local officials throughout the Dual Monarchy might be informed of the terms of the Treaty of Naturalization and instructed to give due and prompt consideration to the evidence presented in each case before having recourse to extreme measures.

During my interview with him on the same day I went more into detail, pointing out especially that the laws of Austria-Hungary granted no compensation or relief to persons unjustly arrested and held for trial, but provide only for cases of unjust conviction and punishment.

Count Berchtold promised to discuss the matter with the Minister of the Interior.

I have [etc.]

U. GRANT-SMITH.

[Inclosure.]

The American Chargé d'Affaires to the Minister for Foreign Affairs.

No. 418.] AMERICAN EMBASSY,
Vienna, August 2, 1913.

Pursuant to instruction from his Government the undersigned, Chargé d'Affaires ad interim of the United States of America, has the honor to invite the attention of his excellency, Count Berchtold, Imperial & Royal Minister for Foreign Affairs, to the comparatively large number of cases of arrest and imprisonment of American citizens, former Austro-Hungarian subjects, which have occurred in the Dual Monarchy within recent months on the charge of evasion of military service.

In practically every instance proof has been given establishing the right of these persons to exemption from military service under the provisions of the Austro-Hungarian-American Naturalization Convention of 1871. It would appear that in the majority of cases ample proof of this fact was produced at the time of arrest, but that in spite of this these persons have been subjected to the indignity of imprisonment together with the sequestration of their papers and funds, thereby inflicting on them, and often on their families, both inconvenience and loss.

While the American Government is in no wise desirous of either aiding or abetting evasions of the just obligations of its naturalized citizens to the country of their origin, the undersigned ventures to express the hope that some means may be found by which the competent local authorities throughout the Dual Monarchy may be advised of the terms of the treaty of 1871 and that American citizens, born in Austria-Hungary, may be assured of a prompt examination of the evidence at hand before being deprived of either their property or liberty.

The undersigned avails [etc.]

U. GRANT-SMITH.

File No. 363.117/8.

The Secretary of State to the American Chargé d'Affaires.

No. 318.] DEPARTMENT OF STATE,
Washington, August 26, 1913.

SIR: The Department has received your despatch No. 514, of August 4, 1913, transmitting a copy of your note of August 2nd to the Austro-Hungarian Foreign Office protesting against unwarranted arrests of naturalized American citizens in Austria-Hungary.

The Department approves of your note and hopes that it may have the desired effect.

I am [etc.]

For the Secretary of State:
J. B. MOORE.

File No. 363.117R271/2.

The American Chargé d'Affaires to the Secretary of State.

No. 528.] AMERICAN EMBASSY,
Vienna, September 4, 1913.

SIR: In reply to the Department's No. 305 of July 16, 1913, instructing this Embassy to ask for the immediate return of the naturalization certificate and a bond taken from Julius Reich at the time of his arrest on June 2nd for alleged evasion of military service, I have the honor to report that the Embassy is in receipt of a notice from the Foreign Office stating that the certificate of naturalization and the bond of 200 crowns were returned to Julius Reich on July 16th of the present year.

I have [etc.]

U. GRANT-SMITH.

BRAZIL.

MESSAGE OF THE PRESIDENT, MARSHAL HERMES R. DA FONSECA, TO THE CONGRESS, MAY 3, 1913.

File No. 832.032/5.

The American Ambassador to the Secretary of State.

[Extract.]

No. 175.] AMERICAN EMBASSY,
Rio de Janeiro, May 17, 1913.

SIR: I have the honor to enclose herewith. for the Department's information, two copies of the annual message of the President of Brazil addressed to the National Congress on May 3, 1913, the day of the opening of the regular session of that body.

I have [etc.]

EDWIN V. MORGAN.

Message of the President.

[Extract—Translation.]

The American Ambassador, in a note of January 21, 1913, suggested to our Foreign Office that it would be desirable, for strengthening the traditional friendship that unites Brazil to the United States, that the statesmen of the two countries should cultivate personal relations with each other, thus emphasizing the benefits produced by the visit which the Secretary of State, Mr. Elihu Root, made to us in 1906 on the occasion of the Third International American Conference.

To this end the Ambassador stated that he was instructed to say that if the Government of Brazil found it suitable to appoint the Minister for Foreign Affairs to return the visit of Secretary Root, he would be very cordially and affectionately received as the guest of the American Nation, which would endeavor to give him the opportunity to become acquainted with that country under the most favorable auspices in so far as the period of his visit would permit.

Since Mr. Taft's term of office would expire on March 4, and he would be succeeded by the President-elect, Mr. Wilson, the Ambassador's note added that the Administration that had the honor and pleasure of extending this invitation to our Minister, would not be the one officially to welcome him upon his arrival; but that the Administration of President Wilson, who would then have been inaugurated, would doubly esteem that visit in case it should occur in the months of March and April, thus evidencing the desire of the Brazilian Government to salute the new Administration immediately upon its taking office, and to establish personal relations with the American Executive and the statesmen who would direct the public affairs of the United States during the ensuing four years.

In a note of April 18, 1913, our Ambassador stated to the Minister of State for Foreign Affairs that the Administration of President Wilson had shown the same cordial appreciation in regard to his visit to the United States as the Administration of his illustrious predecessor had manifested, and that the Secretary of State, Mr. Bryan, would take satisfaction in receiving the visit of our Minister in his official capacity whenever it might be convenient for him.

Accepting this gratifying invitation, the Brazilian Government resolved that Doctor Lauro Müller, in his official character as Minister of State for Foreign Affairs, should visit the great American Nation, in recognition of the visit of Mr. Root, made to our country in 1906. He will leave in a few days to discharge this national mission.

The proceedings relating to sales of coffee from the valorization stock, instituted in the United States, have been happily ended and the two Governments have arrived at an understanding whereby the existing stock can be placed on the market without valorization. Through the medium of our Embassy at Washington our Foreign Office declared that the sales had been bona fide, whereupon the Attorney General of the United States, satisfied with that assurance, also declared that the American Government would not prosecute the matter further.

Brazil took real pleasure in welcoming the Delegates of the American Republics to the International Commission of Jurists created by the Convention of August 23, 1906, signed in Rio de Janeiro during the Third International American Conference. The commission met from June 26 to July 19, in this city, and the Delegates of seventeen Nations were present at the opening session, namely those of the United States of America, Argentina, Chile, Colombia, Costa Rica, Ecuador, Guatemala, Mexico, Panama, Paraguay, Peru, Salvador, Uruguay and Brazil; and, at a later session, those of Cuba, Bolivia and Venezuela. The Dominican delegate, Mr. Americo Lujo, did not take part, being still en voyage on the closing day. And we regret that the Delegates of Haiti, Honduras and Nicaragua were not present.

The Commission held six ordinary sessions besides the preparatory, inaugural and closing sessions. At the inaugural session Doctor Lauro Müller, Minister of State for Foreign Relations, was made Honorary President, and Doctor Epitacio Pessôa, the Brazilian Delegate, was elected President.

Of the special committees appointed by the International Commission of Jurists, there are at work those of Rio de Janeiro, Montevideo, Santiago de Chile, and Buenos Aires; those of Washington and Lima have not yet convened.

The law No. 2416 of June 28, 1911, regulates extradition of nationals and foreigners and the prosecution and sentence thereof when perpetrators, outside of this country, of any of the crimes mentioned in the law, and Article 12 provides that upon the promulgation of the law copies be sent to all the Nations having relations with Brazil, all existing treaties of extradition being terminated. By virtue of this provision copies of the law were sent to the interested Governments and the existing treaties terminated by our Government. At the date of this law the following Acts relative to extradition were in effect: * * * with the United States of America: the Treaty of May 14, 1897, and the annexed Protocols of May 28, 1898, and May 29, 1901. The Treaty and the two Protocols were denounced on January 23, 1913, by a note of our Embassy at Washington; as the provision for terminating them is for a period of six months, the three Acts will cease to be in effect on July 23 of this year.

* * * The Fifth Annual Conference of the Southern Commercial Congress, with its seat at Washington, will meet at Mobile, Alabama, in the fall of 1913, on the occasion of the opening of the Panama Canal. The Delegate of Brazil is our Consul General in New York, Mr. Manuel Jacintho Ferreira da Cunha.

EXTRADITION TREATY OF 1897 AND PROTOCOLS OF 1898 AND 1903 BETWEEN THE UNITED STATES AND BRAZIL[1] TERMINATED BY BRAZIL, JULY 23, 1913.

File No. 211.32/2.

The American Ambassador to the Secretary of State.

[Extract.]

No. 758.] AMERICAN EMBASSY,
Petropolis, August 28, 1911.

SIR: Referring to the Department's instruction No. 294, of May 13, 1911,[2] I have the honor to report that, on June 28, 1911, the bill regulating extradition in this country, of which I forwarded a copy with

[1] For the texts see For. Rel. 1903, pp. 27–33. [2] Not printed.

my No. 444 of November 28, 1909,[1] became a law without amendment. Two copies and translations of the statute are herewith enclosed. The passage of the act was wholly unexpected by the interested missions in view of the confident prediction made at the Foreign Office (see my No. 591, of September 12, 1910[1]) and the attitude of the Foreign Minister in opposition to its passage last year.

Article 12 of the statute requires that all existing treaties of extradition shall be denounced, and I was informed on the 25th instant by Baron do Rio Branco, the Foreign Minister, of his Government's intention, accordingly, to terminate all such treaties. The Director-General of the Foreign Office, whom I saw later the same afternoon, stated, however, that the notices of intention to abrogate would not be issued until after a decision was made by the Supreme Federal Tribunal respecting the constitutionality of the statute. * * *

I have [etc.]

IRVING B. DUDLEY.

[Inclosure—Translation.]

Brazilian Extradition Statute No. 2416, of June 28, 1911.

The President of the Republic of the United States of Brazil:

I make known that the National Congress has decreed and that I have sanctioned the following law:

Article I. The extradition of nationals and foreigners is permitted:

Section 1. The extradition of nationals will be conceded when, by law or treaty, the demanding country guarantees to Brazil reciprocity of treatment.

Section 2. Lack of reciprocity will not prevent extradition in the case of naturalization following the act which leads to the request of the country where the offense has been committed.

Article II. Extradition cannot be granted in the following cases:

Section 1. When the crime is not punishable, according to Brazilian law, by imprisonment of one year or more, including the attempt, the participation and the complicity;

Section 2. When the person to be extradited is being tried, or has already been condemned or acquitted, by the Judicial Power of Brazil, for the same infraction which has led to the petition;

Section 3. When the crime or the penalty has already [been?] prescribed according to the law of the demanding country.

Section 4. When the accused has to answer, in the country requesting extradition, before some judge or court of exception;

Section 5. When the infraction is:

a) purely military;

b) against religion;

c) of the press;

d) political.

The allegation of political ends or motives shall not prevent extradition when the deed constitutes principally an ordinary infraction of the penal law.

The Supreme Federal Tribunal in taking cognizance of the request shall particularly determine the nature of the infraction.

Extradition having been granted, delivery will not be made except on condition that the country requesting the extradition shall guarantee that a political end or motive shall not concur to aggravate the penalty.

Article III. When the accused, against whom the request has been made, is being tried or is subject to a prison penalty or other penalty consequent upon his trial, for another act committed in Brazil, his extradition will be decided in accordance with the stipulations of this law, but the delivery will be effected after the conclusion of the trial or the termination of the sentence.

Article IV. If the penalty, which the person to be extradited will incur, be that of death or corporal punishment, according to the laws of the de-

[1] Not printed.

manding country, extradition will be granted only on condition that said penalty be commuted to one of imprisonment.

Article V. Extradition having been granted, the demanding country must agree not to charge the person extradited, except for an act or the acts for which his delivery is granted, unless, however, the accused freely and expressly consents to be tried for those other acts or if, when placed at liberty, he remains in the territory of the demanding State for a period exceeding one month.

Article VI. The demanding State may not, without the consent of the State of which the request is made deliver the extradited person to a third State which may claim him except under the last exception designated in the preceding article.

Article VII. In case requests for extradition are made by different countries for the same person, if involving the same infraction, the request of the country in whose territory the infraction was committed shall be preferred; in case other acts are involved, the request which has to do with the most serious infraction will be preferred; in case the infractions are of equal gravity, that State will be granted the preference which shall first have made the request for delivery. In the last two cases extradition may be arranged for later delivery to the other demanding countries.

Article VIII. Extradition shall be requested through diplomatic channels, the request being accompanied by a copy or authenticated statement of the sentence of condemnation or the warrant or the minutes of the criminal proceedings, issued by the proper judge. These documents must contain a precise description of the delinquency, the place and date on and in which it was committed, and must be accompanied by copies of the texts of the laws applicable to the crime.

Article IX. The Minister for Foreign Affairs will transmit the request to the Minister of the Interior who will take steps looking to the arrest of the person to be extradited and for his appearance before the Supreme Federal Tribunal.

Sole Section. In urgent cases, provisional arrest may be effected as a precautionary measure and the accused held for sixty days during which time the country making the request shall present to the country of which the request is made a formal demand duly authenticated.

Article X. No request for extradition will be granted without the previous decision of the Supreme Federal Tribunal as to the legality and propriety of the same.

Upon the arrest of the person to be extradited, all the documents referring to the petition shall be sent to the Supreme Federal Tribunal, from whose decision there shall be no appeal.

The person to be extradited, who will be brought before the Tribunal, may be accompanied by a lawyer, his defense being a denial that he is at the person sought, formal defects in the documents presented, and as to the legality of the extradition.

Article XI. If, within twenty days after the date of the granting of the extradition and notice to the effect that the person to be extradited is at the disposition of the demanding country, the diplomatic agent of the said country fail to place the fugitive in transit to the demanding country, the prisoner shall be set at liberty and never again subjected to arrest for the same cause of extradition.

Article XII. After publication of this law its text shall be transmitted to all countries with which Brazil maintains relations and all treaties of extradition still in force shall be abrogated.

Article XIII. Brazilians, even out of the Republic, may be tried and sentenced when, in foreign lands, they commit any of the crimes:

a) Against the independence, integrity and dignity of the native land (Penal Code, articles 87, 92, 94, 98, 101, 102 and 104);

b) Against the Constitution of the Republic and the form of its government (Penal Code, Articles 107 and 108);

c) Counterfeiting (Penal Code, articles 239 and 243);

d) Forgery of securities of the Federal Government, of the States and of Banks (Penal Code, articles 245 and 250).

Section 1. The judgment against such criminals however become[s] effective only upon their return, of their own accord or by extradition, to the country.

Section 2. The trial and judgment of foreigners who shall have committed any of the crimes here enumerated shall only take place when the criminals, of their own accord or by force, shall have come into the country.

Article XIV. Either a national or a foreigner may be tried and judged in Brazil who, in foreign territory, commits a crime against a Brazilian which entails, according to Brazilian law, a penalty of two years at least.

Section 1. The trial of a national or foreigner shall be commenced only upon requisition by the Minister of the Interior or complaint of the offended party, when, in cases where extradition is permitted, such trial is not requested by the country in whose territory the infraction was committed.

Section 2. The trial and judgment of the crimes referred to in article 14 shall not take place when the criminals have already, in a foreign land, been acquitted, punished or pardoned for such crimes, or when the crime or punishment has already [been] prescribed according to a more favorable law.

The trial and judgment of crimes stipulated in article 13 shall not be obstructed by any decision or act whatever on the part of foreign authority.

Nevertheless, the time served in foreign countries for such crimes shall be computed in the term of imprisonment.

Section 3. The Federal judiciary is always the proper branch to deal with those crimes committed in foreign territory.

Article XV. All provisions to the contrary are hereby revoked.

RIO DE JANEIRO, *June 28, 1911; 90th of the Independence and 23rd of the Republic.*

HERMES R. DA FONSECA.

Rivadavia da Cunha Correa.

File No. 211.32/3.

The Ambassador of Brazil to the Secretary of State.

[Translation.]

BRAZILIAN EMBASSY,
Washington, January 23, 1913.

Mr. SECRETARY OF STATE: According to instructions which I have received from my Government, I have the honor to inform your excellency that article 12 of Law No. 2416, of June 24,[1] 1911, governing the extradition of citizens and foreigners tried for crimes committed outside of Brazil, provides that all extradition treaties concluded by Brazil with the various countries shall be terminated.

The new law, recently promulgated, is much more ample than any of the treaties in force, and under it the rule for reciprocity exists only in case of the surrender of citizens. The procedure now established in Brazil in connection with an application for extradition has also undergone a simplification. These applications will always be made through diplomatic channels, and in the way of documents serving as evidence of the crime, the only thing required will be a copy of authentic transcript of the convicting sentence or of the sentence or order in the criminal proceedings issued by the competent judge. The following points must be clearly stated: the crime committed, the place and date of commission, and a citation of the text of the criminal law applicable to the case in the country requesting the surrender of the criminal. It shall be the duty of the Supreme Federal Court to examine the documents presented and to decide as to the admissibility of the application.

The Brazilian Government, in view of the liberal provisions of this new law would appreciate it if, waiving the clause of article 13

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[1] Should be June 28.

(For. Rel. 1903, page 32) of the extradition treaty concluded by Brazil and the United States on May 14, 1897, in which it is stipulated that said treaty ". . . shall continue in force until six months after one of the contracting parties shall have notified the other of its intention to terminate it", the American Government would consider the said treaty as having ceased to exist for all intents and purposes from the date of the receipt of the present note.

I avail [etc.]

D. da Gama.

File No. 211.32/3.

The Secretary of State to the Ambassador of Brazil.

No. 25.] Department of State,
Washington, February 28, 1913.

Excellency: I have the honor to acknowledge the receipt of your note of the 23rd of January, in which you state that your Government has enacted the law of June 28, 1911, which carries out its policy in regard to extradition better than existing treaties do and which involves the abrogation of all the extradition treaties to which Brazil is a party. You state that the Brazilian Government would appreciate it if the United States would waive the clause of its extradition treaty with Brazil which provides that the treaty shall continue in force until six months after one of the contracting parties shall have notified the other of its intention to terminate it, and would consider the treaty to have ceased to exist for all intents and purposes from the date of its receipt of your note.

In reply I regret to inform you that this Government has no power to waive the treaty requirement that six months' notice of an intention to terminate its extradition treaty with Brazil be given; and I beg to inquire whether your Government has not overlooked the fact that, if the treaty should be abrogated, the United States could not surrender a fugitive from Brazil upon the request of the Government of that country. As the United States is not able to grant extradition in the absence of a treaty, it is its practice not to request the surrender of a fugitive by a foreign government with which it has no extradition treaty.

The Ambassador of the United States at Rio de Janeiro has already had the honor to point out to your Government that a serious obstacle to the conclusion of a satisfactory extradition treaty between the two Governments exists in the provision of the Brazilian law mentioned above to the effect that, if the offense for which extradition is sought is punishable by death or corporal punishment, extradition shall be granted only on condition that the penalty be commuted to imprisonment. Other difficulties in framing an extradition treaty would be caused by the fact that the law contains no list of extraditable offenses, and by its provision that no request for extradition will be granted without a previous decision by the Supreme Federal Tribunal of Brazil as to its legality and propriety.

I avail [etc.]

P. C. Knox.

File No. 211.32/5.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Rio de Janeiro, July 27, 1913.

The extradition treaty between the United States and Brazil dated May 14, 1897, together with the protocols and annotations of May 28, 1898, and May 29, 1901,[1] have been denounced by Executive decree dated July 23, 1913, published in the Official Gazette.

On July 30 I shall forward to the Department a printed copy of a draft extradition treaty framed in accordance with the Law of June 28, 1911 (enclosed with this Embassy's despatch No. 758 of August 28, 1911); the draft treaty was sent to the Embassy by the Foreign Office, to be submitted to the Department for consideration and such modifications as do not impair the principles of the Law of June 28, 1911. The purpose of Brazil is to adopt a form which all her extradition treaties shall henceforth follow.

MORGAN.

File No. 211.32/6.

The American Ambassador to the Secretary of State.

No. 224.] AMERICAN EMBASSY,
Rio de Janeiro, July 29th, 1913.

SIR: In amplification of my telegram of July 27th, which related to the recent publication in the Official Gazette of an executive decree denouncing our treaty of extradition with Brazil, signed on the 14th of May, 1897, together with the protocols and annexes of May 28th, 1898, and May 29th, 1901, I have the honor to report as follows:

The Embassy had received no information either from the Department or from the Brazilian Foreign Office that Brazil had in mind the denunciation of this treaty. It was, therefore, with surprise that I received a Foreign Office note, a translation of which forms the first enclosure of this despatch, in which I was informed that the Government of Brazil had determined to sanction and promulgate the law which the Brazilian Congress voted on the 28th of June, 1911, (a copy of which was enclosed with Mr. Dudley's despatch No. 758, of August 28th, 1911) which regulated the manner in which Brazilians and foreigners should be extradited as well as the mode of their trial when they should have committed crimes abroad enumerated in the body of the said law. The note also stated that the 12th clause of the law provided not only that its text should be transmitted to those countries which maintained relations with Brazil but also that all existing extradition treaties should be cancelled in order that those which hereafter should be negotiated might be uniform and might be framed in accordance with the provisions of the law.

[1] The protocol of May 29, 1901, containing amendments to the treaty made by the United States Senate, was incorporated in the treaty at the time of its ratification, and has not been published separately; it was inclosed in Despatch No. 330 from the American Embassy, dated May 29, 1901.

I was also informed that these two provisions had already been carried into effect.

Moreover, the note went on to state:

The provisions of the law are sufficient in themselves to guarantee that in cases where the Government of Brazil shall address petitions for extradition to other countries, reciprocity in treatment of such petitions shall be afforded. Nevertheless, for the satisfactory settlement of details, it has been found convenient that new treaties shall be concluded.

In order to attain this end, I have drawn up the enclosed project, based upon the articles and principles established by the above-mentioned law. I ask Your Excellency to submit this project to your Government so that, after careful examination, it may express its opinion upon it, informing me whether it is acceptable in its present form or whether slight modifications should be inserted which would not be antagonistic to the said articles and principles of the law of June 28th, 1911.

Enclosed with this note was a printed draft of a treaty of extradition, a copy of which, together with the translation, I have the honor to enclose.

On the same day on which the above note reached the Embassy, the Diario Official printed an executive decree of the 23rd of July stating that the President of Brazil made public the fact that from that day he had denounced the treaty of extradition between Brazil and the United States, together with its protocols and annexes. A translation of the text of this decree is also herewith enclosed.

Beyond formally acknowledging the receipt of the above mentioned note, I have not communicated on the subject of the extradition treaty with the Foreign Office, preferring to await any instructions which you may see fit to give me.

I have [etc.]

EDWIN V. MORGAN.

[Inclosure 1—Translation.]

The Minister for Foreign Affairs to the American Ambassador.

Section 2a. No. 1.] MINISTRY OF FOREIGN RELATIONS,
Rio de Janeiro, July 22nd, 1913.

Mr. Ambassador: The Brazilian Government, with the intention of granting extradition petitions relating to criminals taking refuge in Brazil and coming from those countries with which Brazil has not yet negotiated treaties of extradition, has determined to sanction and promulgate, under No. 2416 and under date of June 28th, 1911, the law voted by the National Congress which regulated the manner in which Brazilians and foreigners shall be extradited as well as the mode of their trial when they shall have committed such crimes abroad as are enumerated in the body of the said law.

The 12th clause of this law provides not only that the text of the law shall be sent to all countries which maintain relations with Brazil but also that all existing extradition treaties shall be cancelled in order that any treaties which hereafter shall be negotiated may be uniform following the provisions of the above law. This has already been done.

The provisions of the law are sufficient in themselves to guarantee that in cases where the Government of Brazil shall address petitions for extradition to other countries, reciprocity in treatment of such petitions shall be afforded. Nevertheless, for the satisfactory settlement of details, it has been found convenient that new treaties shall be concluded.

In order to attain this end, I have drawn up the enclosed project, based upon the articles and principles established by the above mentioned law. I ask Your Excellency to submit this project to your Government so that, after careful examination, it may express its opinion upon it, informing us whether it is

acceptable in its present form or whether slight modifications should be inserted which would not be antagonistic to the said articles and principles of the law of June 28th, 1911.

I have [etc.]

REGIS DE OLIVEIRA.

[Subinclosure—Translation.]

Draft of an extradition treaty.

The President of the Republic of the United States of Brazil and_____ animated by a desire to prevent fugitive criminals from freely moving or finding an asylum within the territory of each of the High Contracting Parties, have agreed to celebrate the present Extradition Treaty, and for that purpose have nominated the following Plenipotentiaries:

The President of the Republic of the United States of Brazil_____and Mr. _____who, after having made known their respective full powers, which have been found in good and due form, agree upon the following articles:

Article 1.

The two High Contracting Parties mutually agree to deliver up to each other the criminals passing through their respective territories, or who have sought there an asylum, provided that the following conditions exist:

1.° That the party making the demand has the authority to prosecute and judge the crime or offense occasioning the demand;

2.° That the fault or crime perpetrated before or after the celebration of this Treaty be of an ordinary character;

3.° That the criminal shall have already been convicted or condemned as the principal culprit, a fellow culprit or accomplice;

4.° That the penalty to be inflicted or already inflicted by the laws of the country demanding the extradition be one year's imprisonment at least, both for the convicted persons and the condemned persons;

5.° That the party making the demand shall exhibit documents which, according to the laws of said party and to those of the party to whom application is made shall prove the criminality of the person making the demand or justify his prosecution;

The foregoing articles apply also to any attempt at the commitment of the crimes or offenses subject to extradition.

Article 2.

The High Contracting Parties shall in no case be obliged to surrender their own citizens, but should any of them be given up it will only be on the basis of complete reciprocity.

Article 3.

Extradition shall be refused:

1.° When the crime or sentence shall have been extinguished by prescription according to the law of the country requesting the extradition or when the culprit shall have been already tried therein for the very crime to which the request refers;

2.° When it refers to purely military crimes, to crimes against religion, to crimes against the press, or political crimes and those of similar nature.

The allegation of a political purpose or motive shall not hinder the extradition when the offense is merely an ordinary infraction of criminal law;

The following are not considered political offenses:

a) Acts of anarchical character constituting crimes provided against by the laws of the Contracting States.

b) The murder or an attempt at murder against the Chief of the State demanding the extradition, against his legal substitutes and against his ministers of State or against any of the heads of the separate States forming part of a Confederation or against any of the Governors of the States which constitute a Federal State.

Article 4.

When, in order to prevent the escape of a criminal, one of the High Contracting Parties shall deem his provisional arrest urgent, as a preliminary measure

to extradition, the party shall apply for extradition by telegraph or by post or through a diplomatic agent stating at least, that a warrant for the apprehension of the demanded person has been issued or a writ of arrest in flagrante. This arrest shall hold for sixty days within which period the demanding Government shall present the formal demand for extradition duly evidenced.

Article 6.

Demands for provisional arrest and those for extradition shall be made by one Government to the other Government either directly or through their respective diplomatic agents and shall be accompanied by the following documents:

1.° In relation to the accused whose provisional arrest is requested, a certified copy, at least, of the warrant of arrest or of the writ of imprisonment in flagrante.

2.° In relation to those criminals already convicted: a certified copy of the sentence or of the criminal prosecution from a competent judge and containing a precise statement of the acts charged, of the place where and the date when it was committed and a copy of the text of the penal law applicable to the special act.

3.° Whenever it be possible, the above stated documents shall be accompanied by a photograph, finger prints or the characteristic indications of the person whose surrender is asked.

In no case shall the request of the accused person be granted that he be delivered up to the State demanding him previous to the presentation of the required documents.

Article 6.

If the penalty incurred by the fugitive criminal be that of death or corporal punishment, the extradition shall be granted by Brazil only on the condition that it be commuted by the competent authorities to that of imprisonment.

Article 7.

Except in the case of death of the person whose surrender is requested, and of desistance on the part of the requesting Government the provisional arrest and the extradition already granted shall be ineffective in the following cases:

1.° If within sixty days from the date of the provisional arrest of the criminal, the documents supporting the request for extradition in due form and duly certified to being not presented by the demanding Government.

2.° If the criminal, when placed at the disposal of the demanding State, Legation or Consulate, be not removed within twenty days of the date of the advice thereof.

3.° If within sixty days of the date of the provisional arrest, the prisoner shall apply for and obtain a writ of habeas-corpus

In any of the aforesaid cases the person discharged from custody shall not be arrested again for the crime which caused the request for extradition.

Article 8.

The delivery of a person whose surrender is requested shall be postponed without any injury to its effectiveness:

a) While the procedure in regard to habeas-corpus is going on;

b) When serious disease does not permit the criminal without danger to his life to be removed to the demanding country;

c) When the person whose extradition is requested be under penal prosecution in the demanded State.

Article 9.

When an application for extradition, made by one of the High Contracting Parties be considered by the other Party as unacceptable because it is not in due form or on account of the insufficiency of the documents presented, these documents shall be returned to the former, the reasons being stated which have prevented the progress of the procedure.

In this case, a new application may be made in due form.

Article 10.

Relative to the procedure for application for extradition, and to the legitimacy of such procedure, the admission and consideration of the objections by which it may be impugned by the fugitive criminal demanded, shall proceed in conformity with the legal proceedings and practices in force in the said country.

To the fugitive criminal, however, there remains the right of restoring to habeas-corpus or bail, according to the course established by the laws of the country from which the extradition is demanded.

Article 11.

Persons delivered through extradition shall not be tried or punished for political crimes previous to the extradition or for any acts in connection therewith. They may, however, with their free and declared consent, be tried and judged for common offenses liable to extradition in accordance with the present Treaty, and which have not been the reason for extradition previously granted, but they shall not be delivered to the third Power demanding them without the consent of the State from which the extradition is asked.

This consent shall not be necessary, if after having been pardoned or having completed the term of sentence the person remains for more than one month in the territory of the State requesting extradition.

Article 12.

When several powers request the delivery of the same person for the same crime, the country in the territory of which the crime was committed shall have precedence; if several crimes have been committed, the request dealing with the gravest crime shall be first conceded, at the discretion of the Government from whom extradition is requested; if the crime be of equal gravity and committed at different dates, the request first presented shall have the preference, but if all requests have the same date, the Government applied to shall decide to which of the demanding States the criminal shall be delivered.

Article 13.

A criminal who, after having been surrendered to the demanding State, shall succeed in escaping the course of justice and shall seek asylum again in the territory of the State from which extradition was demanded or pass across it, shall be detained through direct requisition or by diplomatic intervention and delivered up again, without further formalities.

Article 14.

The Power from which extradition was demanded shall convey the criminal to the harbour or locality most convenient for his embarkation or delivery to the agents who are to receive him.

The demanded Government may however, at the request of the demanding Government send one or more agents either of the military or police force, to guard the criminal, until he reaches his destination. In this case, the demanding Government shall defray the travelling expenses of its agents.

Article 15.

The expenses incurred in the arrest, maintenance and extradition of the criminal up to the date of his delivery or disembarkation shall be borne by the State from which the extradition be demanded; after that, they shall be borne by the demanding State.

Article 16.

All articles, valuables or documents having any connection with the crime which causes the extradition and found in the possession of the criminal at the time of his arrest or in his luggage, shall be seized and delivered together with the criminal to the demanding State.

The articles or valuables in possession of third persons shall also be seized but shall only be delivered to the demanding State after the claims raised by their owners have been decided.

Article 17.

One of the High Contracting Parties shall permit a criminal delivered up by a third Power to the other Party to be conveyed in custody across its territory or over its territorial waters, except if the criminal be a native of the country to be crossed or in case the criminal in question be one covered by this Treaty.

For the same purpose a simple notification containing the request for permission of transit and the designation of the offense occasioning the extradition shall be sufficient.

Article 18.

When, in a non-political criminal case, the testimony or summoning of witnesses resident or in transit through the territory of one of the High Contracting Parties be necessary for the evidence of a procedure, the other shall make demand through diplomatic or consular channels. That testimony shall be furnished in a rogatory letter coming from competent authority and accompanied by a translation in the language of the country where it shall be carried out.

The expenses connected with those criminal documents shall be borne by the State receiving them.

Article 19.

The present Treaty shall be in force for an undetermined period, and shall continue in force one year after one of the High Contracting Parties shall have notified the other of any intention to denounce it.

It shall be ratified and the ratifications exchanged at Rio de Janeiro or at ------ after the legal formalities be fulfilled in each of the two countries.

In witness whereof, the above mentioned Plenipotentiaries sign the present Treaty in duplicate, written in the Portugnese and ------ language and thereunto affixing their seals in the city of Rio de Janeiro, this ------ day of ------.

[Inclosure 2—Translation.]

Decree denouncing the treaty.

OFFICIAL GAZETTE, *July 25th, 1913.*

Decree No. 10,355, of the 23rd of July, 1913, published the denunciation of the treaty of extradition of criminals signed in Rio de Janeiro between Brazil and the United States of America on the 14th of May, 1897, and the protocols and annexes of the 28th of May, 1898, and the 29th of May, 1911.[1]

The President of the Republic of the United States of Brazil makes public that from today the Treaty of Extradition of Criminals, signed in Rio de Janeiro between Brazil and the United States of America on the 14th of May, 1897, and the protocols and annexes of the 28th of May, 1898, and the 29th of May, 1911,[1] has ceased to be in effcet.

RIO DE JANEIRO, *July 23, 1913, 92nd of Independence and 25th of the Republic.*

File No. 211.32/6.

The Acting Secretary of State to the American Ambassador.

No. 78.] DEPARTMENT OF STATE,
Washington, August 29, 1913.

SIR: The Department has received your No. 224, of July 29th last, reporting on the subject of the Brazilian law concerning extradition of criminals between foreign nations and Brazil.

In January last the Brazilian Ambassador wrote to the Department stating that the Brazilian Government had enacted a law (of

[1] Should be 1901.

June 28, 1911), a copy of which he subsequently transmitted to the Department, which he stated carried out the policy of that Government in regard to extradition better than existing treaties do, and which involved the abrogation of all existing extradition treaties with Brazil. He stated that his Government would appreciate it if the United States would waive the stipulations of article 13 of the treaty between the United States and Brazil of May 14, 1897, requiring six months' notice of intention to terminate the treaty, and consider the treaty as having ceased to exist for all intents and purposes from the day of the receipt of his note.

The Department replied to the Ambassador, under date of February 28, last, stating that this Government has no power to waive the treaty requirement of six months' notice of intention to terminate its provisions. The Department in its note called attention to the fact that if the treaty should be abrogated the United States could not surrender a fugitive upon the request of the Government of Brazil. Other serious objections to the proposed Brazilian law were also pointed out. A copy of the Department's note is transmitted herewith for your information. No reply was received to the Department's note but it appears from your despatch, and its enclosure, that the Brazilian Government considers its communication of January 23 last as notice by the Government of its intention to terminate the treaty, the Diario Official having printed an executive decree, dated July 23, declaring that the President of Brazil had denounced the treaty.

It is stated in the note of the Brazilian Foreign Office that the "provisions of the law referred to are sufficient in themselves to guarantee that, in cases where the Government of Brazil shall address petitions for extradition to other countries, reciprocity in treatment of such petitions shall be afforded." "Nevertheless," the note continues, "for the satisfactory settlement of details it has been found convenient that new treaties shall be concluded."

The Foreign Office transmitted to you a project of an extradition treaty, said to be based upon the articles and principles established by the law referred to, and asked you to submit it to this Government, "so that after careful consideration it may express its opinion upon it, informing me (the Brazilian Foreign Minister) whether it is acceptable in its present form, or whether slight modifications should be inserted which would not be antagonistic to the said articles of the law of June 28, 1911."

A careful examination has been made of this project, and it is found to contain provisions which render it unacceptable to this Government as the basis of a treaty between the two countries. The most conspicuous of these provisions are the following:

1. Article 6, which provides that, if the penalty incurred by the fugitive criminal be that of death or corporal punishment, extradition shall be granted by Brazil only on the condition that the penalty be commuted by the competent authorities to that of imprisonment.

The objections of this Government to such a provision as this were very fully set forth in the correspondence in 1910, at which time the Brazilian Congress was considering the extradition law. (See instruction No. 183, of January 21, 1910, and the accompanying memorandum.)

2. The project contains no list of offenses for which extradition is to be granted, but provides generally for extradition for all offenses the penalty for which is one year's imprisonment or more.

It is probable that this provision might yield to negotiation more readily than that first enumerated.

The Department would be glad to find some common ground upon which an extradition treaty between the two countries may be concluded, but fails to perceive such ground in the rigid provisions of the Brazilian law or project.

I am [etc.]

J. B. MOORE.

PROPOSAL BY BRAZIL OF A SPECIAL AGREEMENT WITH THE UNITED STATES REGULATING THE PROSECUTION OF COUNTERFEITERS WHEN NOT SUBJECT TO EXTRADITION.

File No. 211.32/7.

The Ambassador of Brazil to the Secretary of State.

[Translation.]

BRAZILIAN EMBASSY,
Washington, October 31, 1913.

MR. SECRETARY OF STATE: Law No. 2416, of June 28, 1911, of Brazil, besides regulating the extradition of criminals, lays down (articles 13 and 14[1]) the rules required for the prosecution and trial of nationals, and, in part, of aliens when they commit abroad any of the crimes mentioned in the aforesaid law.

The crimes of counterfeiting money, securities and credit paper of the Federal Government, States and Banks are included among those that come under the jurisdiction of the Federal courts (paragraphs c and d of article 13).

While Brazilian criminals, when absent from the territory of the Nation, may be prosecuted until sentenced (Article 13) foreign criminals can only be prosecuted and tried when they come to Brazil, freely or under duress.

In consequence of this—and of the impunity enjoyed by counterfeiters of Brazilian money, securities and credit paper who are out of Brazil, if because the case affects foreign money, the local law should be incompetent to prosecute and try:

1. when they never return or come to Brazil;

2. when the Govenment of the country where the offense was committed refuses to surrender its nationals, the offender being one of these;

3. when in the absence of a treaty, the offender cannot be surrendered—

my Government desires that this judicial situation between us be made known to your excellency and that you inform me whether there are in the general legislation or any special law of the Central States provisions for the prosecution and trial of counterfeiters of

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[1] See p. 27–28.

foreign money and credit papers, including seals and adhesive stamps. And even should such provisions exist, my Government wishes to know whether the Government of the United States would be disposed to enter with us into a special agreement regulating the prosecution and trial of such counterfeiters, when not subject to extradition, so as to avoid obstacles to the action of practice in the two countries, to the detriment of international judicial assistance.

I avail [etc.]

D. da Gama.

File No. 211.32/7.

The Secretary of State to the Ambassador of Brazil.

No. 36.] Department of State,
Washington, November 8, 1913.

Excellency: I have the honor to acknowledge the receipt of your note of the 31st of October by which you inform me that your Government desires that the judicial situation between the two countries, as set forth by you, regarding the immunity from prosecution and trial enjoyed by counterfeiters of Brazilian money, securities and paper credit, who are out of Brazil, be made known to the Department and that you be advised whether there are in the general legislation or any special law of the United States provisions for the prosecution and trial of counterfeiters of foreign money and credit paper, including seals and adhesive stamps. You add that, even should such provisions exist, your Government wishes to know whether this Government would be disposed to enter with it into a special agreement regulating the prosecution and trial of such counterfeiters, when not subject to extradition.

In reply I beg to say that provision is made in the general laws of the United States for the prosecution and punishment of any person who "within the United States or any place subject to the jurisdiction thereof, with intent to defraud," counterfeits bonds, certificates, obligations or other securities *of any foreign government*, or any Treasury note, bill or promise to pay issued *by such foreign government* intended to circulate as money. A copy of the Revised Penal Code of the United States, approved March 4, 1909, is transmitted to you and your particular attention is invited to the provisions of sections 156 to 161 (chapter seven thereof). No treaty agreement would be required to secure the prosecution and trial of Brazilians or other foreigners violating the provisions of these laws.

As the territorial theory of crime obtains in the United States, it would not be practicable for this Government to enter into a treaty arrangement with the Brazilian Government providing for the prosecution of persons for committing in Brazil the crimes of counterfeiting Brazilian money, securities, etc.

Accept [etc.]

For the Secretary of State:
J. B. Moore.

VALORIZATION OF COFFEE.

File No. 832.61333/76.

The Acting Attorney General to the Secretary of State.

[Extract.]

DEPARTMENT OF JUSTICE,
Washington, D. C., July 12, 1911.

SIR: Will you kindly give formal authority to your Mr. Joseph J. Slechta, Vice and Deputy Consul General of the United States at Rio de Janeiro, to give to this Department, and particularly to Mr. William T. Chantland, Special Assistant to the Attorney General, who has the matter in charge, all the facts and information he has relative to the Brazilian coffee valorization scheme.

Very respectfully,

J. A. FOWLER.

File No. 832.61333/76.

The Secretary of State to the American Vice Consul General at Rio de Janeiro.

[Extract.]

DEPARTMENT OF STATE,
Washington, July 20, 1911.

SIR: I inclose a copy of a letter received from the Department of Justice, together with a copy of this Department's reply thereto,[1] relating to the subject of information which the Department of Justice desires you to furnish concerning the Brazilian coffee valorization scheme.

You are instructed to furnish to the Department of Justice such information as may be in your possession, when called upon by that Department.

I am [etc.]

For Mr. Knox:
WILBUR J. CARR.

Senate Doc. No. 36, 63d Cong., 1st Sess.

Report of Wm. T. Chantland, Special Assistant to the Attorney General.

DEPARTMENT OF JUSTICE,
Washington, September 6, 1911.

Hon. J. A. FOWLER,
Assistant to the Attorney General.

SIR: On July 11, 1911, I submitted a report on coffee valorization. Further consideration has only strengthened the conclusions therein reached. As indicated by you to me personally, I submit herewith a somewhat more detailed report of the transactions and facts.

The world now consumes a million and a half bags of coffee, of 60 kilos each, per month, or 198,000,000 pounds of coffee per month, or

[1] Not printed.

18,000,000 bags, with a total of over two and one-third billion pounds of coffee per year. Of this, the United States consumes 40 per cent of the entire amount, or about 80,000,000 pounds per month, or 950,000,000 pounds per year. Therefore each cent of rise in the price of coffee maintained throughout a year means over nine and one-half million dollars tax on the people of the United States. A 6-cent rise in the price of coffee means $57,000,000 per year, or about 60 cents for every man, woman, and child in the United States. During valorization the price of coffee has more than doubled, and the rise exceeds 6 cents.

For the coffee year from July 1, 1910, to June 30, 1911, the world's crop of coffee for the first time fell far below the world's consumption. It was fourteen and one-half million bags, or a shortage of three and one-half million bags on the world's consumption for the year. Of the world's coffee the Republic of Brazil produces from 80 to 85 per cent, and of the Brazilian coffee the great bulk is produced in the two large States of São Paulo and Rio.

It will appear clearly, therefore, that anything which affects coffee in Brazil must immediately be felt in the United States, which consumes 40 per cent of all the world's coffee and which buys and consumes from 80 to 85 per cent of the Brazilian coffee.[1] In 1906–7 the world's crop of coffee was unusually large, being estimated at about 22,000,000 bags. The Minister of Finance of the State of São Paulo, Olavo Egydio de Sousa Aranha, conceived or stood sponsor for a plan as to coffee, something like the once proposed populistic plan of making wheat the standard of value. This coffee plan has become known as the "Valorization of coffee," and the State reports, published at length on it, are spoken of as "Transactions in the defense of coffee."

"Valorization," as defined in the consular reports of our consul, means to give, by law, a fictitious or artificial value above or apart from the normal or ordinary market value. That the sole intent of the valorization plan from its conception and inception was to artificially enhance the price of the staple, coffee, above its natural or market price, there is now no longer any room for doubt, and I do not see that there ever should have been any real question on that score. What other object can either excuse or explain the attempt, let alone justify it?

That the desired objects have been attained pari passu with the dreams of their originators is also now apparent. However, there are still some who profess to think that natural causes and not valorization are responsible for the recent rise and doubling in the price of coffee.

On the questions both of the intention and result of the valorization plan, as a plan to raise the price of coffee, let us overlook for a moment Minister Egydio's naive disclaimer of any further interest on the part of his Government in the plan, as set forth in his cable of April 1, 1919, referred to later on in this report, and quote from his last official report relating to valorization, made to his Government under date of September 30, 1910, in which he says:

There is no foundation whatsoever to the suggestion which has sometimes been made that the benefits which followed the Government's (in valorization)

[1] Compare this sentence with the preceding one.

action were due simply to natural causes and were not in any way influenced by such action.

What happened was just the contrary, as may be verified by examining the following table, showing the figures for the crops of four years preceding and of four years succeeding the Government's intervention.

Then follow the tables and statements that show that, despite larger average crops and greater than anticipated following the intervention, the market price has steadily risen. It seems that the planters were able to increase their yield without increase in area more than had been anticipated, for a term of years at least. But be that as it may, the potent resulting and conclusive fact remains as he states it, that in spite of the fact of such increase in quantity, the partial corner, maintained by the State for itself, its committee members, and financiers, did unnaturally enhance the price just as set out.

Let the editor of the Brazilian Review, who was against the plan to begin with, from economic reasons, as a Brazilian, offer his testimony as to the object and result of the plan from the South American standpoint.

The action of the São Paulo Government in promoting valorization has been condemned because it succeeded, against all expectations, in putting up prices and so, incidentally, raising the cost of coffee to consumers.

Surprising as it may seem, this was indeed the very end and aim of its existence.

Here again is good testimony of what the aim and result was and is.

The law and declared policy in the United States is that value shall be the result only of natural market conditions of supply and demand and competition, and that anything which seeks to and does fix prices artificially at a different level is frowned upon and made illegal in most States by statute, and illegal by Federal statute where such artificially fixed prices are the direct result of some restraint upon interstate commerce if produced as a result of any contract or combination or conspiracy. Likewise, section 73 of the Wilson Tariff Act of August 27, 1894, which is still in force, specifically provides:

That every combination, conspiracy, trust, agreement, or contract is hereby declared to be contrary to public policy, illegal, and void, when the same is made by or between two or more persons or corporations either of whom is engaged in importing any article from any foreign country into the United States, and when such combination, conspiracy, trust, agreement, or contract is intended to operate in restraint of lawful trade, or free competition in lawful trade or commerce, or to increase the market price in any part of the United States of any article or articles imported or intended to be imported into the United States, or of any manufacture into which such imported article enters or is intended to enter. Every person who is or shall hereafter be engaged in the importation of goods or any commodity from any foreign country in violation of this section of this act, or who shall combine or conspire with another to violate the same, is guilty of a misdemeanor, and, on conviction thereof in any court of the United States such person shall be fined in a sum not less than $100 and not exceeding $5,000, and shall be further punished by imprisonment, in the discretion of the court, for a term not less than 3 months nor exceeding 12 months.

This being the law, the quotations above set out are proof, both by official report and common knowledge, of its intended and actual violation. And this Government should not sit by supinely and see its people imposed on by coffee traders, financiers, and others who are

operating to help out a foreign country in direct violation of our own plain statutes.

To make effective this plan of coffee valorization it was necessary to have the aid of powerful financiers, and conditions demanded by them had to be met. As Minister Egydio puts it, in his cable of April 1, 1909, measure "created by exigency (demand) of the bankers," but which "the Government is negotiating with them to replace it by another more acceptable to the markets." This report is only interested with such financiers so far as they may be citizens of the United States.

At the beginning several agreements were entered into between the three Brazilian States of Rio, Minas Geraes, and São Paulo, in accordance with which edicts were published to make the agreements effective, which contained among their provisions one for the curtailment and restriction by law of further coffee planting "by a sufficiently high tax," while the three States should mutually agree. These laws are still effective, and the additional planting of coffee trees stopped in 1906. Naturally when the planting was stopped every owner of coffee trees tried to make those which he had planted and growing produce to the utmost, and they were attended to properly, with the one good result that the quality of coffee grown was probably bettered. However, when the limited production thus made possible had been reached, the increase in the production of coffee must stop. On the other hand, the world's consumption of coffee has steadily increased. Thus there would come a time—and it has already arrived—when coffee consumption annually exceeds coffee production. And when such a condition of affairs arrives and continues for a time, as it soon will, it is apparent that any man, or group of men, or financiers, who control any appreciable percentage of the world's visible supply of coffee are in a position to exact any price they desire for what they have on hand. In other words, if such have not a complete corner, they have at least such power of undue restraint over the market and coffee trade as to be able to arbitrarily control and fix the price of coffee. This exact contingency was foreseen and calculated on in the conception of the valorization plan. Whether the financiers and their coffee-trading associates took any active steps to induce the making of these restrictive laws or not, the fact remains that such laws were either in existence and known at the time or enacted subsequently by demand of the bankers, and formed a part of the scheme of security by future enhancement of price under which the loans were made and accepted and made secure to the financiers.

The loans made in the so-called defense or valorization of coffee were as follows:

(1) Treasury notes of the State of São Paulo for £1,000,000, drawn August 7, 1906, for one year, and yielding net £919,000.

(2) The first loan proper of £3,000,000, made jointly to the State of São Paulo by J. Henry Schroeder & Co., London, and the National City Bank, of New York, in the preliminary arrangements for which the National City Bank was represented by Mr. Herman Sielcken, as its authorized and accredited agent in London, the provisional contract for which was made December 8, 1906, the definitive contract

made or signed December 14, 1906, and the contract of ratification signed February 14, 1907, for four years, on or before.

(3) The loan of £3,000,000 made by the Federal Government of Brazil, under contract with N. M. Rothschild & Sons, through the agency of Eugene J. J. Hollender, jr., January 28, 1908.

(4) The final loan, completing the so-called valorization, in the sum of £15,000,000, made by the combined bankers to the State of São Paulo, and guaranteed by the Federal Government of Brazil, to run 10 years to January 1, 1919, and to be used, as stated in article 3 of the law and decree announcing it, under date of August 25, 1908, "For the completion of the measures necessary for the defense of coffee, and for the conversion into a consolidated debt of the various temporary operations undertaken with the same object in view."

Inasmuch as the treasury or exchequer bills issued and the £3,000,000 Schroeder-City National Bank loan were both paid out of subsequent loans, so that as to that £4,000,000 they were renewals, it is therefore fair to say that the gross amount of funds at any time available under the various loans was not exceeding £18,000,000, less the discount and cost of floating, and the expense incurred by the State must therefore properly be figured on such net sum. In fact, the largest amount of coffee purchased by the State and on hand at any one time, it appears, was 8,474,623 bags, at a total cost of £17,227,213, based on an average cost, as shown in various transactions, of 7.7 cents per pound.

According to the report of Egydio, the minister of finance, dated September 30, 1910, these loans have already cost the State of São Paulo in expenses and charges of various kinds, to use his own language, "difference of types of various loans (discounts), freights, insurances, buying and selling commissions, interest on advances, warehousing charges, collection and remittance fees, and other expenses in connection with State-owned coffee," 156,273,158,$084, or over $50,000,000 gold. In other words, on a gross amount available to the State of less than $90,000,000, the expense has already been over $50,000,000, a sum for expense so out of proportion with the money procured for the use of the State or its purposes that my fixed conviction is that the plan, to have its full real designation, should be called "The valorization of coffee, or the exploitation of a State."

Under the valorization plan purchase of coffee for the account of the government of São Paulo was begun August 20, 1906, through several banking and coffee firms, among them Crossman & Sielcken, of New York City, a partnership composed of George W. Crossman and Herman Sielcken. (Vol. 1, p. 75.)

As to the general plan of the loans to be made and the security to be exacted, I am informed by Vice Consul Slechta that Mr. Frank H. Vanderlip was the active agent, who had prior knowledge and part in the transactions, representing the American bankers.

The laws and decrees under which the purchase and control of coffee by the State of São Paulo and the coffee committee was acquired contain the following provisions:

ARTICLE 6. The contracting Governments obligate themselves to create a surtax of 3 francs, subject to increase or reduction, upon each bag of coffee exported from any of the (contracting) States, and also to keep in force the laws which hinder, by a sufficiently high tax, the increasing of the areas planted

with coffee in their territories, for a period of two years, which may be prolonged by mutual agreement. (Agreement of Aug. 6, 1906, between States of Rio de Janeiro, Minas Geraes, and São Paulo.)

Law No. 1127, of August 25, 1908, contains the following provisions:

ARTICLE 1. Upon the coffee which leaves the State and which exceeds 9,600,000 bags during the current crop year, which began on the 1st July, pp., 9,500,000 bags during the crop year beginning July 1, 1909, and 10,000,000 bags during the following years, an additional tax of 20 per cent ad valorem will be collected in the manner prescribed by the laws in force.

ARTICLE 2. The surtax created by article 29 of law No. 984, of the 29th December, 1905, and which will apply to all the coffee which leaves the State, is hereby increased to 5 francs, or their equivalent in (Brazilian) currency, calculated at the official rate of exchange of the day.

ARTICLE 3. The State Government is authorized to contract a loan immediately, abroad, for a maximum of fifteen million pounds sterling, the product of said loan to be used for the completion of the measures necessary for the defense of coffee, and for the conversion into a consolidated debt of the various temporary credit operations undertaken with the same object in view.

1a. The loan to be contracted will have, in addition to the general guarantees, a special guarantee in the coffee which the State has acquired and still possesses, and in the product of the surtax referred to in the preceding article.

2a. The product of the sales of coffees of the State, which shall take place opportunely, shall be applied to the amortization of the loan contracted by virtue of the present authorization. (Vol. 2, pp. 3–4.)

By decree No. 1661, of September 12, 1908, the President of the State of São Paulo published, among other things, the following regulations relating to said tax:

ARTICLE 1. (The same as article 1 of the previous law—of 25th August, 1908, with the following additional paragraph.) The said additional tax of 20 per cent ad valorem shall be collected together with the export duty of 9 per cent imposed by previous laws, and with the tax of 5 francs.

ARTICLE 2. (The same as article 2 of the law of 25th August, 1908, but "upon each bag of 60 kilos that leaves the State.")

ARTICLE 3. The duties to which the present regulations apply shall be collected by the State customs office in Santos upon all coffees presented for shipment, the method of collecting being the same as up to the present. (Vol. 2, p. 5.)

By a special contract executed in London, December 11, 1908, the entire conduct of the valorization scheme for the benefit of the State and the financiers, was intrusted to a committee of seven members, of which Herman Sielcken, of the firm of Crossman & Sielcken, New York City, who had originally represented the National City Bank as its authorized agent in the negotiations for the three million pounds loan of 1906, was and is yet the American member.

Among the duties of the committee are those relating to the sale of the valorized coffee, as follows:

Liquidate the stocks of coffee in the name and for account of the Government of S. Paulo, by means of public auctions or sealed proposals, viz: 500,000 bags in 1909–10, 600,000 bags in 1910–11, 700,000 bags in 1912–13, and thereafter 700,000 bags per year.

Beyond these minimum quantities, and at any time before the beginning of the obligatory sales, the committee may furnish to the trade such quantities as it may require, taking as a basis the price of 47 francs per 50 kilos for good average, and 50 francs for Havre type superior. (Vol. 2, pp. 395–396.)

In the agreement relative to the committee dated London, December 11, 1908, made between representatives of all the bankers having

to do with the loan and the Government of São Paulo, article 2 is as follows:

A. The Government of São Paulo now obligates itself to offer for sale, through the committee, at public auctions or by sealed proposals, at the price of the day, preferably during the last six months of the coffee crop, i. e., from January to June 30: 500,000 bags in 1909–10, 600,000 bags in 1910–11, 700,000 bags in 1912–13, etc., and 700,000 bags each following year.

B. In consequence the Government expressly concedes to the committee full and irrevocable power to determine the times of sale, the minimum obligatory quantities above mentioned, the markets in which to sell, and to make the sales in the name of the Government, exercise control over the transactions, and generally to do what is required.

C. Beyond and within the minimum quantities fixed by these figures, and at any time before the beginning of the obligatory sales, the trade may always have at its disposal the quantities which it requires at a price not lower than 47 francs per 50 kilos for good average and 50 francs for Havre type superior. The additional quantity may equal in each year the minimum obligatory quantity.

D. Should this quantity not be sufficient for the needs of the trade, the committee shall also stipulate, in agreement with the Government, the price to be asked for the additional quantity.

E. In case that, through the effect of the preceding clause, the sales should exceed the quantities annually provided for, the committee may postpone the later minimum sales if the state of the market and the statistical situation appear to warrant such delay, but only to the extent of the sales actually made in anticipation.

F. All the sales shall be made by the committee in the name of the Government of São Paulo, under the rules for public auctions or sealed proposals; the notes of advice shall be sent to the committee, but for the State of São Paulo. (Vol. 2, pp. 399–400.)

Articles 10 and 11 thereof are as follows:

ARTICLE 10. The Government having decreed a law imposing an additional tax of 20 per cent upon all coffees exported from the State of São Paulo in excess of 9,000,000 bags during the year June 30, 1908–9, in excess of 9,500,000 bags during the year ending June 30, 1910, and in excess of 10,000,000 bags during any year after July 1, 1910, it hereby obligates itself not to revoke nor to modify this law as long as the said bonds are in circulation and not redeemed.

ARTICLE 11. In addition to this the Government obligates itself to decree any new law that may become necessary to guarantee that the limitation of exports will be strictly observed. (Vol. 2, p. 402.)

Under such restrictive agreements and legislative measures, enacted by the "exigency of the bankers," did the committee members accept trusteeship or agency, and actively work to carry out the intended enhancement of price of that important item of import, coffee, and accomplish thereby under such agreements the resulting restraint of trade therein, into and among the several States of the United States, in violation both of the Sherman Antitrust Act and of section 73 of the Wilson bill.

In plain English, this whole thing looks like a plan devised in the apparent interest of São Paulo and Brazil, but, in fact, carried out to the great glory and financial profit of Baron Schroeder, the National City Bank, and their subsequently allied banks, and accomplished through the probably honest, patriotic motives and sense of São Paulo's financial minister, Egydio Aranha, who, in his official reports, sets out enthusiastically how it all happened, and how they were able to pay loan after loan by making new loans, each one larger and each negotiated at a greater disadvantage, discount, and loss to the State, and, consequently, a resulting new and bigger profit to the eminent international financiers and their coffee-trade friends.

Under this much vaunted scheme of finance, whereby the most ready cash or credit that was available to the borrowing State was not over $80,000,000 at any one time, and against which expense charges of all kinds in the aggregate of over $50,000,000 have already been collected in the way of taxes, etc., and paid out, there was still outstanding and unpaid about $64,000,000 on last January 1, according to the official reports. I can not see the great cause for rejoicing or for hailing the master mind who conceived this expensive plan as the great patriot of São Paulo. I can see reasons for it from the standpoint of the financiers and the committee members who now seem to be juggling the supply to suit themselves and to enhance their fortunes.

If there might be those who would conjure up any halos for those members of the committee, let me cite them to the action of the committee as officially reported by themselves of their meeting of April 27, 1909, wherein "the committee, after careful consideration of all interests, is of opinion that the proposed change of the law is desirable," which proposed the "replacement of the existing law limiting the export of coffee by a new law creating an extra duty of 10 per cent on all exports of coffee, payable in kind, such coffee to be destroyed under the control of the committee," and which went so far as to consider whether said coffee should be burned or carried out on shipboard and dropped into the sea.

Speculation as to whether, without valorization, the jobbing price of coffee would now be higher, as some opine, is purposeless to this inquiry, because without valorization and attendant restrictions upon the areas of cultivation, the conditions as to supply can not now be known, but the normal guess would be that the supply would now be ample; that is, that the increase in acreage of cultivation would have kept pace with the increase in consumption in coffee as it does in most matters, instead of having ceased at reaching the limit under trees recently planted and their better cultivation, as reported. And it is not sound argument on that side to say that valorization saved the planters from ruin and the plantations from going into the hands of the bankers. It is but common experience that what goes into the hands of bankers is only under their greater keenness to have their property and plantations well and fully cared for and cultivated.

Likewise, other planters would naturally have been diverted to the development of new plantations. We, however, have only to deal with the situation as it is, with the crop area restricted, the utmost limit of production thereon reached, and the consumption steadily increasing. Already have we this year reached a situation where the world's production is considerably less than its consumption; and where the visible supply of coffee on June 8 of the present year was only 11,885,000 bags, as against a visible supply on December 1, 1909, of 17,555,000 bags. Thus, at this moment, the surplus from the big 1906–7 crop has already been absorbed, and the visible supply is back to the average before that, when the consumption was much smaller than now, and when the trade proper owned all of the coffee, whereas now the so-called valorization committee, representing the international banking interests, holds surely 5,100,000 bags, and probably more nearly 6,000,000 bags, in its control, and the trade

proper has only the remaining 6,000,000 bags. In other words, approximately half of the world's small visible supply is now in the control of the valorization committee, composed of the strongest and most powerful coffee men and their allies and the financiers back of them. The mere suggestion of this fact must make it apparent how thoroughly at the mercy of this valorization committee is the price of our coffee. Add to this condition the fact that valorization has still more than seven years to run, with continual increase of consumption and no prospect for any large increase in production—at least within seven years, as it takes six full years for new trees, if any were planted immediately, to bear any substantial amount of coffee—and the danger and iniquity of the situation and the power of the valorization committee appalls.

I have said that in stead of the valorization committee controlling 5,100,000 bags, which is the official showing to-day, they probably control nearer 6,000,000 bags. I base that conclusion on the following state of facts: Crossman & Sielcken, of New York City, the American agents of the valorization committee, and even the Brazilian Government, in answer to a direct official inquiry properly made, positively refuse to say to whom the April, 1911, sales of valorized coffee were made. The trade, up to the present time, can discover no evidence that any substantial amount of it has been withdrawn from the New York Dock Co.'s warehouses, or other warehouses, for consumption. Outside of a few small lots to interior roasters and jobbers, there is no information available, or even circumstantial evidence, that any of this coffee has really gone out of their hands. Moreover, there has come to light recently what the trade knows as a "restrictive contract," namely, a contract used by these valorization agents in selling coffee which forbids the coffee purchased to be used in filling contracts on the coffee exchange. This is rather a subtle scheme, particularly inasmuch as these restrictive sales are made at a fraction under the exchange prices. At first blush it would appear, therefore, that this was entirely legitimate and even a process beneficial to the general consuming public. However, when we recall that the present price is partially an artificial one, based on the holding up and holding back by these same people of one-half of the world's visible supply of coffee, it will be seen that it amounts to nothing more than fractional underselling in small quantities under their own artificially enhanced and created price, with the very purpose of not breaking that artificial price.

The members of the committee, and the financiers for whom they are agents, are certainly day by day and year by year restraining trade in coffee by holding out these 6,000,000 bags. Moreover, the very essence of this plan, in which they engaged and are engaging was to valorize or cause an artificial, or fixed, or made price on coffee, higher than the natural or ordinary open-market price.

Again, the committee and those in control of the coffee are not even true to their trust so far as the State of São Paulo is concerned, because their minister of finance cabled the Brazilian ambassador here, at the time of the attempt to place a proposed import duty on coffee by Congress in 1909, to the effect that all of the coffee could be sold when it had reached the price of 47 francs per bag of 50 kilos, or the

equivalent 56.4 francs per bag of 60 kilos. Instead of that, they are now holding the coffee at a price far above that, the last sales, in April, having been made at about 73 to 75 francs per bag of 60 kilos.

The only good points, from the standpoint of the American public, in the plan are possibly the two following:

(1) It has steadied the market and prevented useless, reckless speculation. Whether the steadying and fixing of the market is a good thing is a question. The theory is, in this country, that the market should be open and unsteady, and inviting to free and open competition; so this may be a questionable benefit after all.

(2) It has probably improved the average quality of coffee, in that the restriction on planting made them cultivate more carefully.

The net results of the valorization appear to be:

(1) Large profits to the financiers.

(2) Some net profit to the planters.

(3) None to the State; rather a loss because of the amount of revenue, the collection of which is called for and diverted, and, while the State's coffee is going up in price, yet it is probable that the interest, storage, and commission charges will eat that up before the end of the valorization scheme, January 1, 1919.

(4) The addition and piling of all these costs and advances on the coffee consumers.

(5) The restraint in trade caused by the carrying out of the plan.

(6) The enhancement of the price of the great article of common use imported chiefly from Brazil—coffee.

There has been substantial restraint, and attempts to enhance, and enhancement of the price in this matter by the following:

(1) The curtailment of production by stopping the additional planting and cultivation to keep pace with an increasing demand. This situation still exists.

(2) By systematically engaging in a campaign at big expense to make an increased demand in the face of a restricted production.

(3) By restraining exportation from Brazil under a heavy export tax, levied on the "exigency" or demands of the bankers who made the loan that made the scheme possible.

(4) By restraining exportation from Brazil by a levy of extra tax on all exports over a given quantity.

(5) By holding the valorization coffee out of the open market.

(6) By holding coffee even when way above the declared Government maximum price to be demanded of 47 francs per 50 kilo, or 56.4 francs per 60-kilo bag. The last sales were at 73 francs and 75 francs per 60 kilos.

And each of these things have been deliberately and designedly done, according to the official reports, with the one actuating motive and intent present from the very origin of the idea, namely, to increase the price of an article which some one or more of them were engaged in importing, to wit, coffee, in direct conflict with and in violation of the statutes of the United States, to wit, section 73 of the Wilson Act, elsewhere quoted—and this the law in the Nation which takes 80 to 85 per cent[1] of their entire product, which they well knew, or should have known.

[1] Compare with the second, third, and fourth paragraphs of this report.

This purpose and these facts and this law the bankers well knew or should have known when they demanded certain restraints to make the intended result of increased price more certain.

In this declared purpose the bankers and their agents aided and abetted and participated when they took the bonds and made the loans to carry out this purpose to increase the price of this commodity of such common use in the United States that the people of the United States absorb 40 per cent of the entire world's supply.

In this violation of the law certain brokers joined in taking and holding certain portions of the stock of this coffee, for the purpose of assisting in the consummation of this plan to increase the price of an article in which they were engaged in importing.

Of a violation of this law the members of the so-called valorization committee, who are among the best-posted coffee men in the world, were and are guilty, but of them we can deal only with the American member, Mr. Herman Sielcken, who is now and has been since before this investigation was begun living out of the United States, to wit, on his estates in Baden-Baden.

When this investigation had developed far enough to find that one American citizen was a member of this committee, and had been since its organization, the question presented itself as to how he could be reached so as to stop his activities, and through him those of the committee so far as it dealt with the imports to the United States, when he did not appear as a party to the original contract between São Paulo and the other States and the bankers. This is not now a problem, because it appears that Mr. Herman Sielcken, of New York, the American member of the committee, appeared and acted for the National City Bank, as its "agent duly authorized in the city of London," representing it "for the purposes of this agreement" at the making of the first "definitive" agreement for the loan of the £3,000,000 on the 14th of December, 1906, and personally signed the said definitive agreement as the representative of said bank, and his firm also actively bought valorized coffee for São Paulo. We have him therefore present as the active tort feasor at the outset of the plan, and he can not escape the penalty of his act and subsequent acts in the plan by saying he committed the misdemeanor as the agent of another.

But he is more than agent, if that were necessary, which I believe it is not. He is the trustee, who has accepted the trusteeship in this country of the illegal plan and agreement and its subsequent or resulting bonding scheme, and all the demands for security made in the way of restricted exports and planting and cultivation with its resulting restraint upon imports into the United States and the consequent enhancement of prices upon such imports. He is the illegitimate trustee of the operations in this country of the illegal agreement or its results which are violative of section 73 of the act of August 27, 1894, and of which agreement the original contracting parties remain only the cestues qui trustent, while Mr. Sielcken and the other six committee members act, do, carry on, and carry out, a plan in violation both of the act of July 2, 1890, and particularly of section 73 of the act of August 27, 1894, "to increase the price of imports" in which they deal 80 or 85 per cent of which are to come

to this country. Therefore said acts as [and ?] criminal statutes can and do reach him in his accepted, adopted, and acting active capacity, as he must stand sponsor for his own torts or misdemeanors. He can not escape by setting up his representative capacity either as agent or as trustee ex malificio. If that were so, what a splendid opening for international criminal schemes through trustees and agents. His acts must stand by themselves as misdemeanors, no matter who inspired, or in reliance upon or through what contract they were brought into being. Were it otherwise, a criminal would always plead representative capacity. "Let me off and take my principals." Criminal law answers: "We will take and punish both principal and agent." Criminal laws are for deterrents as well as punishments. To take both principal and agent is the greater deterrent.

Section 76 of the act of August 27, 1894, provides—

> That any property owned under any contract or by any combination, or pursuant to any conspiracy (and being the subject thereof) mentioned in section 73 of this act, and being in the course of transportation from one State to another, * * * shall be forfeited to the United States, and may be seized and condemned by like proceedings as those provided by law for the forfeiture, seizure, and condemnation of property imported into the United States contrary to law.

This is identical with section 6 of the Sherman Act. I have always wondered why section 6 has been invoked so little. It is my belief that when that act was framed, section 6 was designed to be the real effective deterrent, particularly to continuing violations. Moreover, its employment makes the Government's actions at the expense of the offenders, as they should be, and not a tax upon the people.

In this case I would recommend that, as a part of the proceedings, instructions be given to institute seizure and condemnation proceedings on the first valorization coffee to move in interstate commerce. I do not believe it would require but one such seizure to enable the Government to make terms as to the future handling and disposition of valorization coffee. It may be urged that such a proceeding might make international complications. I have thought of that. Suppose the situation was reversed and it was a commodity, a mere commercial trade commodity, of the United States that was being moved intraterritorially in some foreign country, in violation of its plain statutes. Is there any doubt what the upshot would be? I conceive not. The property would be seized at once. And what is more, the respect for the laws of other nations, particularly intraterritorially, which the comity of nations demands be observed, would leave the injured nation without either legal, equitable, or even moral grounds of complaint. I believe that I can safely make that assertion, even though I am not versed in international law.

Moreover, the Government of São Paulo, through the Brazilian Government, has officially disclaimed further interest in the valorization operations. In an official message to the secretary of the Brazilian embassy at Washington, sent for the purpose of influencing the official actions of the Congress of the United States, and sent through the Brazilian Government's official channels, the minister of finance of São Paulo, under date of April 1, 1909, said:

> The Government of São Paulo is no longer engaged in any valorization operations and has ceased entirely with its intervention in the market with the signing of the 15,000,000 pounds sterling loan. All the coffee stock belonging

to the State has been delivered to the committee of bankers authorized to sell it. The committee is obliged to sell, in accordance with the contract, at the market price and to the amount of 500,000 bags during the year 1909-10, 600,000 bags during the year 1910–11, and 700,000 bags during the year 1912–13, and an equal amount in the following years. The committee can, however, sell all or any coffee as soon as the price will reach 47 francs per 50 kilos of good average.

There is therefore no action of this Government to advance the price of coffee, as its whole stock can be sold within a few years at the market price. On the contrary, it limits the rise of the market to the maximum price of 47 francs (equivalent to 56.4 francs per ordinary bag of 60 kilos), by which all stock can be sold at once, that price being hardly sufficient to cover the cost of production in the finest coffee zones of this State.

And then, in order that there might be no question at all as to the State's disinterestedness, he proceeds with his disclaimer by putting the burden of causing the export duty to be levied by his State on coffee upon the bankers who financed the scheme, as follows:

The taxes collected by this State were given in guaranty of the loan and will be reduced, once the loan is redeemed. The tax of 20 per cent ad valorem on the export beyond the amount marked by law (9,000,000, 9,500,000, and 10,000,000 bags for 1908–9, 1909–10, and 1910–11, respectively) was created by exigency of the bankers, but the Government is negotiating with them to replace it by another more acceptable to the markets.

Under such circumstances would it not be an act of international kindness for the United States to help São Paulo to remove this millstone of surtax, export tax, and added ad valorem export tax? And particularly when this same minister of finance adopts as his own this language:

To suppress coffee exports it is to profoundly injure the whole of Brazil, threatening its very existence. (Report of Sept. 30, 1910.)

Their acts thus disowned as the acts of agents of the Government, the committee and the financiers must face alone the onus of holding the valorization coffee out of the market while it has gone up 6 cents per pound, and while it has gone far above the 47 or 56.4 francs per bag, which the minister of the Government who has had the matter in charge says is the top limit of price desired by the Government for its product. They must stand as having deliberately and willfully conspired to enhance the price of this import and to restrain the trade in coffee by so doing. I can see neither justification, excuse, nor escape for them. Under the terms of their trusteeship contract, if they only sold the minimum amount of coffee per year there would still be one and one-half million bags on hand, the last six months of the term for which the last big loan runs. This is a clear indication that they were expected to sell additional amounts as soon as the price reached the desired level and tends to corroborate the minister's message in that respect. It is true that they have, during the current year, apparently sold an extra 600,000 bags above the minimum, but so far as the market and trade in the United States are concerned not only the extra but also the obligatory sales might as well not have been made. The sales have all been made in secret, and practically none has been withdrawn for consumption, indicating as strongly as circumstances can that the pretended sales are not sales at all bona fides, but a mere bidding in of the coffee by the coffee committee, coffee people and their friends, to hold for a still higher squeeze. And what a good time it was to have to bid it in. The crop just mar-

keted was millions of sacks short of the world's consumption for the year, and though the prospects are for a good crop, to cap it all, for some reason, either through error or otherwise, there is no obligation on the committee to sell a single pound of valorized coffee the coming year, or until June, 1913, so that instead of having done something for the market and the consumer these people on the inside have simply taken advantage of their position to buy some extra coffee which they can, within their powers, as indicated, by subsequent refusal to sell, boost still higher.

While there have also undoubtedly been substantial violations of the Sherman Act, the remedy thereunder is similar to the remedy under the Wilson Act. It seems to me that the whole plan constitutes a plain and complete offense against the latter statute. I therefore recommend that the proceedings be had primarily under section 73 of the act of August 27, 1894, and also under section 76 of the same act. I firmly believe that only criminal proceedings will bring effective results in this case.

A failure on the part of this Department to prosecute this matter to the utmost would rightfully bring down upon it the censure of the people, for whom it constitutes the machinery which must stand between them and such unconscionable, open, high-handed, continuous, and bold violation of law for the express and only purpose, from the very conception and inception of the scheme, of gouging the consuming public of this country to the extent of all the numerous commissions and charges which the scheme involved, to the profit of the high financiers of international operation, plus whatever profit which was to come to this foreign nation and its people, at the expense of the American consuming public, who are the known customers of from 80 to 85 per cent of their entire product. Such a lack of patriotism alone should be considered little short of treasonable conduct, but when it is done in the face of and in violation of plain statutes it deserves and should meet the exact and full penalty which the law provides and prescribes. The fact of the standing of the offending parties is nothing that this Department can consider. The law is plain. The intent is plain—there has been but one purpose from the beginning. The results are apparent. The future results, unless checked, will be appalling.

If any steps taken bring on negotiations with the Brazilian States, the persons who are conducting them should under no circumstances forget to have the removal of planting restrictions in mind, as a part of the remedy desired, so that the increase of area may again at least begin to grow with the continuing increase in consumption. Even then the situation on that point will be very bad before the remedy can become effective because of the six-year term required for coffee trees to come into fruition. The urgency of the promptest kind of action is apparent.

Respectfully submitted.

WILLIAM T. CHANTLAND.

File No. 832.61333/91.

The Ambassador of Brazil to the Secretary of State.

[Translation.]

EMBASSY OF BRAZIL,
Washington, May 30, 1912.

Mr. SECRETARY OF STATE: As soon as I assumed charge of this Embassy in June of last year I had the honor to talk with your excellency about an inquiry instituted by the Department of Justice into the operations of the so-called Committee on Coffee Valorization of the State of São Paulo in this country in order to ascertain whether the said operations were conducted in violation of the Sherman Act to prevent restrictions on American commerce. Your excellency was so good as to promise me then to acquaint me with the results of the inquiry immediately when receiving the information from the Department concerned.

I then forwarded your excellency's answer to my Government and when one of the members of the Committee on Coffee Valorization of São Paulo was lately called upon to testify before the Parliamentary Commission of Inquiry into the "Money Trust" in this city, I explained to the parties interested that both this inquiry and that of the Department of Justice were intended to enable the American public authorities to form an opinion on questions that affected the general welfare before taking any measures whatever in the matter and that the Brazilian Embassy in the United States would certainly be duly notified of any such steps.

But it was only by reading the papers of the 19th instant that the Brazilian Embassy learned that proceedings had been instituted the day before by the Attorney-General in the District Court of New York against the Committee on Coffee Valorization of the State of São Paulo, which was claimed in the indictment to have violated the provisions of the Sherman Act above mentioned. The Brazilian Embassy at Washington, which regards it as one of its most pleasant duties to cooperate with the American Government in its efforts to maintain and develop the very friendly relations between the two countries, this Embassy, whose creation was a token of the lasting friendship which binds the two peoples, was left in ignorance of an official measure of such extreme gravity as this which deals with acts and property of the Government of a Brazilian State.

It is not for me here to enter upon an examination of the merits of the case since, be those what they may, the jurisdiction of an American tribunal over the acts of a foreign sovereign State can not be admitted. The doctrine alleged by a representative of the Department of Justice before the court that by placing merchandise on the market of the world a State loses its sovereignty can not be defended before the Department of State, where it is well known that sovereignty is never lost or relinquished automatically but always through a formal and express instrument, whether voluntarily or under compulsion. With a refusal to consider the international aspect of the question, the matter assumes more importance, as the initial proceedings of the suit were instituted without due warning to the foreign and friendly Government interested therein. The court has already denied that part of the Attorney-General's petition

which relates to the previous delivery of the coffee owned by the State of São Paulo to a depositary (for sale) in the market, but the suit continues.

This state of things, which has lasted for two weeks and which, I fear, may not continue without detriment to the moral and material interests of both countries, is that which I wish to submit to your excellency's consideration in order that you will, if you deem it proper, bring it to the knowledge of the President of the Republic with a view to its discontinuance and proper reparation.

I avail [etc.]

D. da Gama.

File No. 832.61333/91.

The Secretary of State to the Ambassador of Brazil.

Department of State,
Washington, June 8, 1912.

Excellency: I have the honor to acknowledge your excellency's communication of the 30th ultimo wherein you allude to a conversation with me last June regarding the question of an institution of an inquiry by the Department of Justice into matters of combination affecting the sale of coffee and of concern to the State of São Paulo in Brazil. Your excellency alludes to my having promised at the time to acquaint you with the results of the inquiry in question so soon as I should receive the necessary information from the Department of Justice.

Your excellency then proceeds with some narrative of the manifestations of the Embassy's interest in this subject and enters to some extent upon a discussion based upon the course of the suit instituted by the Attorney General, finally intimating the hope that the subject be brought to the knowledge of the President.

As your excellency is aware, I was happy to comply with your wishes in this last respect.[1] Our recent conversations seem to me to render it still more unnecessary at this time to enter upon any general discussion of certain points raised in the communication under acknowledgment, for, as your excellency knows, I am very sensible of the interests of Brazil in the matter and am using my best endeavors to make sure that the Government of Brazil shall have no just cause of concern in respect to the matter in question, it being the hearty wish of the Government of the United States that the interests of the two countries should be mutually treated with specially friendly consideration.

I must reiterate here, as I have said to your excellency, that while I have no recollection of the conversation of last June, nevertheless I have no doubt that I promised to give the Embassy the desired information so soon as I should receive it, the fact being, as I have already informed you, that the Department of State had no official information of the so-called coffee suit until after your excellency had gained such information directly from the Department immediately concerned.

I avail [etc.]

P. C. Knox.

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[1] The President received the Ambassador on June 4.

File No. 832.61333/100.

The American Ambassador to the Secretary of State.

No. 15.] AMERICAN EMBASSY,
Rio de Janeiro, July 19, 1912.

SIR: As of possible interest to the Department I have the honor to enclose herewith, accompanied by a partial translation, a clipping from the Jornal do Commercio of the 15th instant containing a portion of the annual message addressed by Dr. F. de Paula Rodrigues Alves, the President of the State of São Paulo, to the Congress of that State.

This clipping will give the Department a fair idea of the real attitude of the Government of the State of São Paulo in connection with the American investigation into the matter of coffee valorization.

I have [etc.]

EDWIN V. MORGAN.

[Inclosure—Translation—Extracts.]

Message of the President of the Brazilian State of São Paulo to the State Congress.

JULY 14, 1912.

The high price of coffee, which is due to natural causes, has been attributed to the stocks which the State of São Paulo holds. Commercial and political pressure exerted in certain quarters has caused distrust of these deposits and of the intentions of the São Paulo Government.

The State of São Paulo was not led into valorization through the wish to speculate or to make money. Its object was the patriotic one of saving large sums of money invested in the cultivation of a product on which to a large extent State credit depended. The Government has always explained its attitude frankly and the markets of the world have accepted it without suspicion. We have always maintained the best of relations with the United States, and it was not right to expect that our intentions would be misunderstood or misinterpreted.

It will be remembered that at the beginning of last year the American Government wished to be informed of the conditions under which valorized coffee was sold in the month of April. Representative Norris of Nebraska, in the House of Representatives, asked whether the tariff laws afforded a means of retaliation against Brazil, which, "acting in conjunction with American and European capitalists, had raised the price of coffee from 40 to 50 per cent, thereby causing an annual loss to the United States of 35 million dollars." He also inquired "if the Department of Justice could not institute legal proceedings, under the Sherman law, against the American members of this trust."

Omitting, as one would expect between friendly powers, this allusion to Brazil, the Department of Justice began the investigation which the House of Representatives recommended regarding the sale of coffee in the month of April.

The State Government was not apprehensive during the work of investigation, which, however, revealed a certain lack of confidence regarding our attitude, when all at once came the report that one of the New York courts was taking action against the members of the committee of valorization, jeopardizing, in a very strange fashion, the legal status of the deposits of our coffee.

And we deeply regretted to learn the terms of the petition presented in the name of the American Government to the District Court of New York. From a perusal of that document, it is plain to be seen that great fear is felt lest we might be instrumental in upsetting the great principles which political science has created for the complete administration of justice among nations.

So as to be able to state that the members of the valorization committee had violated the provision of the law of July 2, 1890 (the Sherman law), there was

presented to the tribunal a lengthy memorandum of which I am at this moment able to give you only the general lines:

"The suit was brought before the District Court of New York by the United States of America against the members of the valorization committee.

"It was alleged that the persons interested in maintaining the price of coffee at the highest possible figure had conceived a plan with a view not only to maintaining that price but to increasing it through artificial means which would, directly and illegally, result in a restraint of trade throughout the entire world and therefore between Brazil and the United States.

"For the purpose of carrying out that plan, the members of the committee, and others who are cited in the petition, entered into agreements, contracts, combinations, and conspiracies (these are expressions used in the Sherman law), and purchased, received, stored, and sold coffee, and manipulated the market in various ways.

"Inasmuch as three-fourths of the world's supply of coffee is produced in Brazil, the conservation of the high price would not be possible without the cooperation of the Government of Brazil and of the States, the State of São Paulo being the largest producer. Therefore various laws were passed at the suggestion of interested parties." (The Federal laws and those of the State, as well as sur-taxes on our coffee, exportation, loans, the Convention of Taubate, and, in fact, every law which can have any connection with the valorization plan, are cited at length.)

It is then affirmed that the law for the protection of industry and commerce against restrictions and monopolies (the Sherman law) was violated, and the petition recites the following views:

"a) The valorization plan was organized by individuals who would be benefited by the maintainance of the price of coffee above the level which would prevail if the law of supply and demand were allowed to pursue its natural course;

"b) These individuals induced the State of São Paulo to decree laws and to enter into contracts which materially reduced the quantity of coffee exported from Brazil;

"c) Inasmuch as the United States consumes forty per cent of all the coffee used in the world, and inasmuch as coffee is a staple article of food, any law which restricts its importation into the United States in normal quantities, or which in any way tends to elevate its price, constitutes a direct restraint of foreign inter-state trade. Therefore, the valorization plan was organized in contravention of the principles incorporated in the Sherman law, and the agreements and conspiracies of the several individuals, who obtained from the State of São Paulo laws and contracts in this connection, are in disagreement with its provisions;

"d) The fact that the said agreements and conspiracies are not illegal in Brazil and the fact of their being participated in by a foreign State can not justify the committee in the perpetration of acts committed within the United States. The several contracts and agreements were, it is true, concluded outside the limits of the United States, as were the meetings of the committee. Nevertheless, one of the defendants, Mr. Sieleken, resides in the southern district of New York, where he deals in coffee."

The writer concludes by saying that "the laws, contracts and agreements from which the valorization plan originated violate the American law of July 2nd and they should be declared illegal," requesting that there be at once appointed a depositary to take charge of our coffee, which was there warehoused, and that it should be sold under the court's orders.

No course was left open to this Government in defense of our rights except categorically to reaffirm them to the Federal Government, which was personally informed by the Secretary of Finances of the State as to all of the elements which entered into the formation and execution of the plan, which was given due publicity and which, after being so many years in operation, has only now produced the alarm which so greatly offends us.

I can not refrain from saying to you, with my most profound thanks, that the Federal Government and the Honorable the Minister for Foreign Affairs have been sincere champions of those rights, which are, above all, rights of the Brazilian nation. And everything leads us to believe, in view of the first decisions made public and in view also of friendly manifestations between the two countries, that the incident will not affect the cordiality of ancient relations with the great American nation and that the question will be settled in a dignified manner.

The example of the United States not unnaturally produced effects in Europe. In the French Chamber of Deputies, Mr. Briquet, a socialist, proposed a motion against coffee, attributing the high price of that product to the action of the São Paulo valorization committee, and requesting that the Government adopt measures designed to put a stop to speculation. For this purpose, he suggested an increase in the import duties, and the concessions of favors to coffee from the French colonies and other producing countries. The Minister of Commerce was opposed to this action, and he loyally stated just what had occurred in Brazil in connection with the valorization of coffee, adding that it had been proposed that France should pursue the same course with a view to raising the price of wheat. He stated that he could see no legal means of attacking the acts of an independent State. As a consequence of this clear and just intervention, the motion of the illustrious deputy did not succeed in impressing public opinion in France.

One should reap from these facts the lessons which they naturally suggest. The United States is the largest consumer of our coffee, which enters that country free of duty. Large amounts of capital are invested in the coffee business in the United States, and there is within the country and in the neighboring coffee-producing territory a current of opinion favorable to the levying of an import duty on the product. No advantage is to be gained by the great American people through the taxation of a product which to-day forms a part of its daily bill-of-fare, but the exigencies of the administration, and the pressure upon politicians and people interested in commerce, the insistence of small producers of coffee, may result in other complications, for which it is said in the United States that the amplitude of the Sherman law is admirably adapted. The coffee producer should be vigilant and not deposit excessive confidence in the action of public authorities nor in the sentimentalism of friendly peoples when the pressure of great commercial and revenue-raising interests begins to become intense.

File No. 832.61333/101.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Rio de Janeiro, September 3, 1912.

An hour ago I was informed by the Brazilian Minister for Foreign Affairs that the Brazilian Ambassador at Washington had cabled him on the 2d instant that the American press had published reports to the effect that the Attorney General intends to revive the investigation of the legal status of valorized coffee. The Brazilian Minister for Foreign Affairs told me that the Brazilian Government would deplore greatly a revival of this delicate question and that it fails to comprehend the alleged justification of the attitude taken by the Department of Justice of the United States. General public opinion throughout Brazil as well as in the State of São Paulo is most sensitive to any attack on valorization, and the growing commercial interests between the United States and Brazil will very probably be jeopardized if the coffee market should be broken by an enforced sale of valorized stock in New York, which stock, according to the valorization program, if left unmolested will be liquidated by gradual sales. The Government of Brazil attaches great importance to the international aspects of this matter.

MORGAN.

File No. 832.61333/104.

The American Ambassador to the Secretary of State.

No. 46.] AMERICAN EMBASSY,
Rio de Janeiro, September 16, 1912.

SIR: I have the honor to report, referring to my cablegram of September 3, that the Brazilian Foreign Office has learned nothing further from the Brazilian Embassy at Washington regarding the rumor which Mr. da Gama cabled on the 2d of September: that the American press then reported that the Attorney General intended to revive the investigation of the legal status of valorized coffee. A careful and constant examination by the Embassy of the telegrams from abroad which appear in the local press and also of the telegraphic news from São Paulo has given no indication that such press rumors are current in the United States and for the advantage of our commercial position in Brazil this fact is a desirable one.

Not only in the State of São Paulo but throughout Brazil public opinion appears particularly and increasingly sensitive regarding valorization, and American enterprises which deal with either the Federal or State Governments would, as a result of renewed discussion of this question, probably be embarrassed, at least temporarily, in their efforts to secure new business. This would affect companies such as those which supply materials to the Government, as well as those which desire to enter into negotiations with the Government for the construction of the proposed military port.

The Brazilians believe that if the stock of valorized coffee in New York is left unmolested it will be liquidated within a year through ordinary sales. There is no intention of increasing that stock. The recent frosts in the coffee district make it certain that the present crop will be a small one and that the excessive crop of a few years ago, which was the inception of the valorization plan, will not be repeated this year.

I have [etc.]

EDWIN V. MORGAN.

File No. 832.61333/105.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Rio de Janeiro, October 17, 1912.

I am requested by the Minister for Foreign Affairs of Brazil to inform you that the Governor of the State of São Paulo has assured him that at its annual meeting next January the valorization committee will vote to dispose of the entire stock of valorized coffee in New York. The Minister for Foreign Affairs is anxious to learn whether in view of this assurance given him by the Governor of the State of São Paulo it will be possible to defer the proposed suit against the international coffee syndicate until the cause for action shall have disappeared. The Minister for Foreign Affairs also ex-

pressed the hope that the proposed liquidation may check any Federal legislation against valorized coffee that may be contemplated. He stated emphatically that the Brazilian Government does not wish the action of a sovereign State of the Republic of Brazil which has been endorsed by a Federal law to be reviewed by a foreign legislative body or court, and is anxious that further newspaper controversy regarding valorized coffee should, if possible, be avoided.

MORGAN.

File No. 832.61333/107.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase—Extracts.]

AMERICAN EMBASSY,
Rio de Janeiro, November 8, 1912.

The Minister for Foreign Affairs of Brazil just now informed me that he had heard that legal proceedings against valorized coffee will be taken in the United States on November 14th. He is extremely regretful that the promise of the valorization committee to liquidate its stock of coffee now in New York by the end of January has not resulted as he had hoped. The Foreign Minister fears that it may be difficult to prevent public opinion in Brazil from erroneously inferring that the Government of the United States is unfriendly to Brazil. He believes that the people of Brazil will draw this inference from the fact of the revival of this delicate subject upon which Brazil is peculiarly sensitive and which would automatically disappear within a short time. The Embassy is firmly of the belief that it would be most advantageous to our position in Brazil to postpone further legal action until after the adjournment of the Brazilian Congress on December 31st, since American commerce and industry is likely to derive considerable advantage from pending legislation which should be closed by that date.

MORGAN.

File No. 832.61333/107.

The Acting Secretary of State to the American Ambassador.

[Telegram—Paraphrase—Extracts.]

DEPARTMENT OF STATE,
Washington, D. C., November 9, 1912.

Replying to your October 17th. The Attorney General has agreed to postpone action provided the proposition relates to the entire stock of valorized coffee now in New York, about 932,000 bags, and if it is proposed to sell it in the open market free from any restrictions on or before April 1, 1913, he is willing to abandon further proceedings. Report by cable, and if possible, obtain written assurance that the entire stock of coffee stored in New York will be sold by April 1, 1913.

WILSON.

File No. 832.61333/111.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Rio de Janeiro, November 18, 1912.

Reply to Department's Nov. 9, 1912. I have been informed by the Brazilian Minister for Foreign Affairs, in an aide mémoire, that the Government of São Paulo accepts the obligation to liquidate the entire stock of coffee now in New York, by April 1, 1913, amounting to about 950,000 bags. The coffee will be sold in the legitimate market in order to prevent speculation by combined interests as might occur if, for instance, the stock were offered at public auction at the mercy of the coffee roasters and without benefit to the consumers in America. When sale by public auction was tried in Europe for a much smaller stock buyers held off in order to force prices down. The result was there was not a single bidder and that market had to be abandoned. If this procedure were applied to a stock of nearly one million bags it would cause a general break in the coffee market which would be a serious detriment to the market and to the State of São Paulo, benefitting the New York interests alone.

If this understanding is satisfactory to the Department of Justice the Brazilian Foreign Office and the Embassy will exchange notes in this sense.

MORGAN.

File No. 832.61333/112.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Rio de Janeiro, November 29, 1912.

The Brazilian Foreign Office has requested me to inform you that the Government of São Paulo believes that the publication of any intelligence about the details of the pending negotiations concerning the abandonment of the coffee suit would cause unnecessary harm. The Brazilian Government agrees with the Government of São Paulo that secrecy should be maintained between the three Governments as to any agreement arrived at.

The reception of telegrams from New York by the Government of São Paulo, in which were reported rumors current in the United States to the effect that the embargo on 950,000 bags of valorized coffee had been raised and that the coffee would be offered in the market, has occasioned this request for secrecy.

MORGAN.

File No. 832.61333/116.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Rio de Janeiro, December 11, 1912.

The Brazilian Minister for Foreign Affairs has assured me in writing as well as orally that the Government of São Paulo promises that by the first of April next the entire stock of valorized coffee now in New York will be liquidated in accordance with the terms set forth in the Embassy's telegram of Nov. 18, 1912, that none of the coffee in New York will be assigned to a syndicate of insiders or persons associated with the valorization, and again affirms that all sales will be made in the legitimate market.

The Minister for Foreign Affairs further says that the valorization committee at its annual meeting next January will decide upon the manner of liquidation based upon these general principles. He desires, however, that neither the Brazilian nor the American Government should give out any public statement regarding the settlement of the coffee matter either now or after final agreement. He explained that unofficial rumors could probably not be prevented, but they would not so injuriously affect the interests of São Paulo producers and merchants as would a statement issued by either Government.

MORGAN.

File No. 832.61333/117.

The Attorney General to the Secretary of State.

DEPARTMENT OF JUSTICE,
Washington, December 13, 1912.

SIR: I am in receipt of your letter of 12th instant,[1] transmitting paraphrase of a telegram dated December 11th, received by you from the American Embassy at Rio de Janeiro, transmitting [etc.]. These positive assurances of the Government of São Paulo, repeated by the Federal Government of Brazil, are accepted as satisfactory evidence of the intention to dispose of the coffee in an open market, and I see no reason why the exchange of notes referred to by Ambassador Morgan, in his telegram of November 18th, should not now be had.

I have [etc.]

GEO. W. WICKERSHAM.

File No. 832.61333/121.

The Secretary of State to the Ambassador of Brazil.

DEPARTMENT OF STATE,
Washington, December 18, 1912.

EXCELLENCY: I have the honor to inform your excellency that a complete understanding has been reached between the Government of

[1] Not printed.

Brazil, on behalf of the State of São Paulo, and the American Embassy at Rio de Janeiro, on behalf of this Department, to the effect that the hearing of the demurrer would be held in abeyance and the stock of coffee now in New York sold without restriction in the open market before April 1, 1913. Your excellency will readily understand, however, that unless Mr. Sielcken withdraws his motion that a date be set for hearing the demurrer, the Government of the United States can not be held responsible if the suit should proceed. The Department is further informed that the Brazilian Government is taking steps to check the initiative of Mr. Sielcken, and it is hoped that these steps will result in his withdrawing his motion before the 20th instant, the date now set by the court for hearing the same.

Accept [etc.]

P. C. KNOX.

File No. 832.61333/123.

The Attorney General to the Secretary of State.

DEPARTMENT OF JUSTICE.
Washington, December 19, 1912.

DEAR MR. SECRETARY: I have a note from the United States Attorney in New York this morning, saying that Mr. Garver, of the firm of Shearman & Sterling, attorneys for defendant Sielcken, had yesterday notified him that he would not press the motion to set the demurrer in the Sielcken case for argument.

Very respectfully,

GEO. W. WICKERSHAM.

File No. 832.61333/123.

The Acting Secretary of State to the American Ambassador.

[Telegram.]

DEPARTMENT OF STATE,
Washington, December 23, 1912.

Sielcken has ceased to press for a hearing. Sales should now proceed as agreed.

WILSON.

File No. 832.61333/131.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Rio de Janeiro, January 20, 1913.

I am informed by the Minister for Foreign Affairs that according to information given him by the Government of São Paulo all of coffee stored in the United States has been sold. The coffee was bought by about eighty purchasers in several different States and the price and conditions of sale were uniform. The Government of Brazil has asked the Government of São Paulo to supply it, for the use of the Embassy, with a detailed account of the transaction which may

be incorporated in a statement to the press. The Minister for Foreign Affairs hopes, however, that this statement will not be of such a nature as to jeopardize the interests of valorized coffee in Europe, more especially in Germany, where there may be a movement against it.

MORGAN.

File No. 832.61333/139.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase—Extracts.]

AMERICAN EMBASSY,
Rio de Janeiro, February 10, 1913.

An aide mémoire handed me to-day by the Minister for Foreign Affairs stating that he is informed by the Government of São Paulo that the entire stock of valorized coffee which was stored in New York has been sold and that all the sales were made in the legitimate market. The Federal Government of Brazil is of the opinion that this statement of the Government of São Paulo, notwithstanding the fact that a detailed account of the sales has not yet been rendered, should suffice to remove the doubt which has arisen in the mind of the Secretary of State as to whether this sale of the stock of valorized coffee was carried out in accordance with the understanding arrived at between the Governments of the United States and Brazil.

MORGAN.

File No. 832.61333/147.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Rio de Janeiro, February 28, 1913.

A copy of the following telegram received this morning was handed me to-day by the Minister for Foreign Affairs:

SÃO PAULO, *February 27th.*

I had no complete details regarding the sales of valorization stocks in New York. I know and declare that sales were made to eighty roasters resident in thirty-three cities of twenty American States. I am going to telegraph to the Committee asking for further details.

This telegram was signed by the Secretary of the Treasury of the State of São Paulo.

MORGAN.

File No. 832.61333/153.

The Ambassador of Brazil to the Secretary of State.

[Memorandum—Translation—Extracts.]

On the 18th of May of last year action on the charge of violation of the Sherman law against Hermann Sielcken and other members of the Coffee Valorization Committee of the State of São Paulo was brought before the United States District Court of New York by the

Attorney General of the United States. Neither the Embassy of Brazil nor the Department of State itself received notice of this suit instituted against the acts and property of the State of São Paulo, represented by its agents specially commissioned to liquidate a stock of coffee acquired in 1906 with the object of stopping a continuous depreciation of the commodity caused by an abnormal crop, which depreciation was proving ruinous to the cultivation of coffee in that State. It is proper to note that until the beginning of 1912 the regular annual storage and sales of that coffee had not been considered to be in violation of any law of the United States. The committee for the liquidation of the valorization deposit dealt with sales only and never with purchases and the stock acquired by the State of São Paulo had already been reduced about 60% when proceedings for conspiracy and restraint of trade were instituted. The Department of State did not see fit to intervene in the case which was in some way within its province affecting as it did international relations and preferred to let the suit take its course.

The New York court having declined to issue the warrant for the seizure of the coffee deposited in that city, for a judicial sale "in the open market" as petitioned in the bill of complaint, the Attorney General recommended to the Congress of the United States an amendment known by the name of Norris bill which would authorize such seizure or confiscation and the Congress passed that measure *ad hoc*, as appears from the Attorney General's report, and it is now the law of the land.

In the meanwhile and to the end of showing that there was no restraint of trade nor unlawful combination or conspiracy in the operations of the valorization committee, Mr. Sielcken proposed a stay of the proceedings that were injurious to the commercial and political relations of the two countries, while he endeavored to obtain from his colleagues and the Government of São Paulo authority to sell in the regular market and within a reasonable time the coffee deposited in New York thus removing the object of the complaint without the necessity of a hearing in court. The committee approved Mr. Sielcken's proposition, but the State of São Paulo rejected it on account of the engagements made with the purchasers of coffee and the bankers that had lent the money required for the valorization operations. The Government of São Paulo, confident of the perfect legality of its position before the national laws of the United States, thought it preferable to go on with the suit, which the American Government had to lose if it should not first recognize the error it made in instituting it.

It was then that the Brazilian Government resorted to the friendly settlement of the incident in the terms that are known to the Department of State. While the negotiations looking to that settlement were going on in Rio de Janeiro, Mr. Sielcken asked the Court in New York to set a day for the hearing of the defense presented by the counsel for the defendants. On the American Government's request the Brazilian Government prevailed on Mr. Sielcken to withdraw his request, as the conciliatory action of the two Governments would be embarrassed by a continuance of the case.

An agreement for the disposal of the stock of valorization coffee deposited in New York having been reached, a doubt seems to have

arisen as to the manner of effecting that sale, the Brazilian Government understanding that the coffee under litigation was simply to be sold in the customary way and the American Government understanding that the sale was to be made "in the open market." The Attorney General would thus achieve through friendly arrangement what he did not obtain from the court in New York as a preliminary measure in the civil suit he had instituted. But there was no time for a discussion of the disputed interpretation of the arrangement. On the 16th of January the Coffee Valorization Committee of the State of São Paulo met in London and announced that they had sold and disposed of its stock in New York to eighty roasters scattered in twenty States of the Union. In order to dispel any doubt as to the good faith of the sale, the committee confidentially furnished the Embassy of Brazil with the list of the eighty several buyers. It was explained that secrecy was enjoined in accordance with the usage of trade, it being contrary to practice for sellers to publish the names of buyers. But this does not prevent the Embassy from asserting, from the enumeration it has before it, that the sale of the valorization coffee deposited in New York was bona fide, without restrictions and for actual consumption in the United States.

The Brazilian Government desires the dismissal of the case, which stands as an obstacle to perfect harmony in the relations of the two countries and was instituted by the Attorney General of the United States without previous notice to the Brazilian Embassy or the Department of State itself and is still prosecuted after the object, which was the sale and distribution of the coffee deposited in New York, has been accomplished.

And in compliance with its duty as representative of Brazilian interests abroad, the Brazilian Government would also like to hear from the American Government if it proposes that the operation of the Norris Act or of the law it amended is intended to exclude the remainder of the valorization coffee, or to prevent its deposit and regular sale in the United States or, in general terms, what will be the probable effects of those acts on the exchange of merchandise in the now rapidly growing trade between the United States and Brazil.

EMBASSY OF BRAZIL,
Washington, March 31, 1913.

File No. 832.61333/159a.

The Secretary of State to the Ambassador of Brazil.

DEPARTMENT OF STATE,
Washington, April 22, 1913.

EXCELLENCY: I have the honor to inform you that in answer to my inquiry directed to the Attorney General asking him whether the statement of the Brazilian Ambassador is sufficient to justify the withdrawing of the suit in the valorization case, I am advised that it is the opinion of the Attorney General that the Ambassador's statement together with facts already within the knowledge of the Attorney General constitute sufficient ground for such action and that he has accordingly directed the District Attorney at New York to enter a

decree to the effect. Following the custom of the Department not to give an opinion upon a hypothetical case concerning the effect of congressional legislation, he does not decide the second question, namely, whether a new suit should be brought in case of a repetition of the acts upon which the former suit was based, and he would not therefore give assurance as to modification or nonenforcement of the acts in question. I have written him in line with our conversation asking him to notify this Department in advance before commencing suit in case a future cause of action should arise so that I may take up with you the question of securing through the action of your Government the same result that could be reached through a suit.

Accept [etc.]

W. J. BRYAN.

File No. 832.61333/160.

The Ambassador of Brazil to the Secretary of State.

[Translation.]

EMBASSY OF BRAZIL,
Washington, April 24, 1913.

MR. SECRETARY OF STATE: I had the honor to receive the note of the 22d instant in which your excellency was pleased to communicate to me the reply of the Attorney General of the United States regarding the suppression of the suit begun by the American courts against the valorization of the coffee of the State of São Paulo. It is stated therein that my declaration, together with the information now in the possession of that Department would be sufficient to justify this suppression, instructions for which purpose were issued to the Attorney for the District of New York. The Attorney General adds that, as it is not the custom of his Department to issue an opinion on possibilities in the application of laws, he can not say whether a similar lawsuit would be repeated under analogous conditions, nor can he promise the modification or the non-application of such laws.

I also thank your excellency for the information that you gave me on the same occasion that you had requested the Department of Justice that, should there occur in the future any reason for a similar lawsuit, due information would be furnished to the State Department thereof, so that when this Embassy was informed we could through Governmental action obtain the same result which judicial proceedings would entail.

I informed my Government of your excellency's communication by telegraph, and have [etc.]

D. DA GAMA.

Message of the President of Brazil to Congress, May 3, 1913.

[Extract.]

The proceedings relating to sales of coffee from the valorization stock, instituted in the United States, have been happily ended and the two Governments have arrived at an understanding whereby the

existing stock can be placed on the market without valorization. Through the medium of our Embassy at Washington our Foreign Office declared that the sales had been bona fide, whereupon the Attorney General of the United States, satisfied with that assurance, also declared that the American Government would not prosecute the matter further.

VISIT OF THE MINISTER FOR FOREIGN AFFAIRS OF BRAZIL, DOCTOR LAURO S. MÜLLER, TO THE UNITED STATES.[1]

File No. 033.3211/3.

The American Ambassador to the Secretary of State.

[Extract.]

No. 124.] AMERICAN EMBASSY,
Rio de Janeiro, February 11, 1913.

SIR: Referring to the Embassy's despatch No. 11[2] of the 30th ulto. I have the honor to enclose a copy of the personal letter which I addressed on January 21st last to Dr. Lauro Müller, the Brazilian Minister for Foreign Affairs.

I have [etc.]

EDWIN V. MORGAN.

[Inclosure.]

The American Ambassador to the Minister for Foreign Affairs of Brazil.

AMERICAN EMBASSY,
Rio de Janeiro, January 21, 1913.

MY DEAR DR. LAURO MÜLLER: Among the many subjects upon which I have the satisfaction of feeling that we maintain views in common, there is none upon which I venture to believe we more heartily agree than in our mutual belief that the distinguished and influential citizens of Brazil and the United States should become more thoroughly acquainted. My fellow citizens and yours entertain a similar point of view on so many matters, that an increase in their personal knowledge of each other cannot fail to substantially promote their common respect and regard. The visit which the Honorable Elihu Root, in his official capacity as Secretary of State, made to Brazil, and, incidentally, to other nations of this continent during the Third Pan-American Conference, did more than any other one event not only to strengthen, but to demonstrate and justify, the existing and ever-increasing friendly relations between Brazil and the United States.

Since entering upon my present mission, I have been exceedingly desirous that my Government and people should secure a similar opportunity for making and enjoying the acquaintance of a Brazilian statesman of the first rank and of demonstrating their warm friendship for this country, as was afforded the Government and people of Brazil during Mr. Root's visit. My Government is in complete and decided accord with this desire, concerning which the Embassy has communicated with the Department of State, and I am instructed to say that, in case the Government of Brazil should find it opportune to send you

[1] A complete and illustrated account of this visit may be found in the Bulletin of the Pan American Union for July, 1913.
[2] Should be 116. Not printed.

in your official capacity as Minister for Forein Affairs to repay the visit which Secretary Root made to this country in 1906, you would be most cordially and heartily welcomed as the guest of the Nation, which would endeavor to afford you an opportunity of seeing as much of our country, under favorable auspices, as the duration of your visit would allow.

With a sincere expression of regard and sympathy, I have [etc.]

EDWIN V. MORGAN.

File No. 033.3211/9.

The American Ambassador to the Secretary of State.

[Telegram—Extract.]

AMERICAN EMBASSY.
Rio de Janeiro, May 16, 1913.

The Minister for Foreign Affairs will sail May 17 on the dreadnaught *Minas Geraes*, will arrive between June 7 and 10, and will remain about three weeks in the United States.

MORGAN.

File No. 033.3211/15.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Rio de Janeiro, May 27, 1913.

The following list of the personnel of Doctor Müller's party, giving order of precedence, was furnished by the Foreign Office:

Doctor Lauro Müller, Minister for Foreign Affairs;

Doctor Raul Regis de Oliveira, Minister Resident in Cuba and now in the United States;

Captain Thedin Costa, commanding the *Minas Geraes;*

Doctor Helio Lobo, Secretary to the Mission;

Captain of frigate Antonio Sampaio, Naval Aide to the Mission;

Doctor Alberto Jorge de Ipanema Moreira, First Secretary of the Legation and Second Secretary to the Mission;

Captain of engineers Antonio José da Fonseca, Military Attaché to the Brazilian Embassy at Washington and Military Aide to the Mission;

Capitao Tenente Leopoldo Nobrega Moreira, of the *Minas Geraes* and Naval Aide to the Minister.

Doctor José Custodio Alves de Lima, Private Secretary to the Minister;

Lieutenant Euclides da Fonseca, Military Aide to the Minister;

Senhor Maurice Nabuco, attached to the Mission and son of the late Brazilian Ambassador at Washington.

Also accompanying the party is the sixteen-year-old son of the Minister, Lauro Müller junior.

MORGAN.

File No. 033.3211/27a.

The Third Assistant Secretary of State to the Honorable Elihu Root.

[Telegram.]

DEPARTMENT OF STATE,
Washington, June 6, 1913.

Secretaries of State, War and Navy leave Washington on *Mayflower* Monday June ninth at four p. m. to meet Doctor Lauro Müller, Minister for Foreign Affairs of Brazil, who comes as Ambassador of Brazil on Special Mission to return your visit to South America as Secretary of State. The Secretary of State desires you to join the receiving party on the *Mayflower*. We are just in receipt of cable message as to exact time of arrival of Doctor Müller and hasten to extend invitation.

DUDLEY FIELD MALONE.

NOTE.—On June 10 a reception committee aboard the *Mayflower*, *Sylph*, and *Dolphin* met the Ambassador and suite at Hampton Roads: The Ambassador of Brazil, Sr. da Gama, and members of the Embassy; the Secretary of the President, Mr. Tumulty; the Secretary and the Third Assistant Secretary of State; representatives of the Departments of War and Navy; Senator Root; the Director General of the Pan American Union; and others. The *Mina Geraes* was escorted by the war ships *Florida*, *Arkansas*, *Beale*, *Perkins* and others to Fortress Monroe, with appropriate honors.

On June 11 the Ambassador and suite, transferred to the *Mayflower*, were accompanied by the committee to their hotel in Washington, escorted by the 15th United States Cavalry. Calls by members of the Cabinet. Formal reception by the President. A call upon the Secretary of State. Drive about the city. Dinner at the Brazilian Embassy. Reception at the White House.

June 12.—Luncheon at the Pan American Union. A banquet at the residence of the Secretary of State.

The ensuing days were filled with functions both formal and informal, and visits to places of interest. In the Senate Chamber, Doctor Müller left his card on the desk of Senator Root, on the 12th; on the 13th he called upon the Vice President at the Capitol, and was entertained at dinner by the Secretary of War. On the 14th Doctor Müller laid upon the tomb of Washington a wreath inscribed "The homage of Brazil to George Washington."[1]

File No. 033.3211/51.

The American Ambassador to the Secretary of State.

No. 190.] AMERICAN EMBASSY,
Rio de Janeiro, June 17, 1913.

SIR: I have the honor to report that President Marshal Hermes da Fonseca expressed to me last evening his warm personal gratification

[1] In 1876 the Emperor of Brazil, Dom Pedro II, planted the tree that spreads above the tomb.

and the thanks of the Brazilian Government for the cordial reception which Dr. Lauro Müller, Brazilian Minister for Foreign Affairs, has received in the United States. The President told me that the reception, which had far exceeded his expectations, had produced an admirable effect in Brazil, where henceforth American approximation would be more popular than it had been at any time since the visit of Mr. Root to Brazil seven years ago.

President Wilson will already have received before this despatch is written the telegram of thanks which President Hermes sent him on the 15th instant, and the Senate and the House of Representatives will also have received the telegrams which were sent them by the Brazilian Senate and Chamber of Deputies. In the last connection I have the honor to enclose in translation a copy of the speech which Representative Coelho delivered in the Chamber of Deputies on the 13th inst. in support of the motion:

> We move that, through its President, the Chamber shall demonstrate by cablegram, to the American Congress, the gratitude of the people of Brazil for the very warm reception given to Dr. Lauro Müller, Brazilian Ambassador on a mission of friendship.

as well as a copy of the remarks with which Senator Fernando Mendes de Almeida prefaced his motion in the Senate that that body should express its gratification to the American Senate by means of a telegram for the cordiality of the reception which had been accorded Dr. Lauro Müller.

I have [etc.] EDWIN V. MORGAN.

[Inclosure 1—Translation.]

Speech of Senator Fernando Mendes de Almeida.

MR. PRESIDENT: The Senate has information regarding the sincere manifestations of consideration and esteem with which Dr. Lauro Müller has been welcomed in the United States, these manifestations coming not alone from the President and the official world but also from the great North American people, who together celebrate the visit as a proof of the friendship of Brazil and of the sentimental ties that unite the two countries in a bond of fraternity and peace.

Our Foreign Minister is not only a messenger carrying the goodwill and national sentiment of Brazil; he represents also the high ideals of all Southern America in their efforts towards guaranteeing peace and a general fraternization amongst the nations of this continent.

The Senate, therefore, cannot remain unmoved before such demonstrations of respect, goodwill and esteem, and for this reason the Constitutional and Diplomatic Commission of this Senate, through my medium, solicits from the Senate a solemn manifestation to this effect, by means of a telegram of congratulation and gratitude to the Senate of the great American Nation.

[Inclosure 2—Translation.]

Speech of Representative Coelho Netto.

The kindly attitude of the noble American people imposes on us the courtesy of a motion which I am going to present, in the name of the Diplomatic Commission of this Chamber.

We are living in a hostile age. Men seek to crush one another as enemies; nations arm themselves, suspicious of attack; the clouds that darken the horizon are heavy with the smoke of battles. Thus the generosity of the American nation is enhanced, contrasting with the warlike aspect of the Old World under arms.

While war troubles the west, America festively receives the ambassador of peace. It was a happy choice that the Government made when naming our Foreign Secretary for this mission.

Dr. Lauro Müller is, amongst the politicians of the Republic, one of the most worthy of consideration. While yet a young man he appeared as a fighter on that glorious morning of November, and since that date he has never shirked the responsibilities of the great destiny of his country. He represented his State in both houses of the National Congress and has continually proved to his fellow-citizens his worth as an active worker and honest official. As Secretary of Ways and Communications he was one of the great improvers of the city of Rio de Janeiro; he rid it of its colonial deformities and worked actively towards its sanitation. He was called to take the place of great Rio Branco and has maintained with success the post occupied by the hero of our national integrity.

A statesman, possessing purity of character and undoubted patriotism, Dr. Lauro Müller is the right man in the right place as the Ambassador of Brazil and under the flag of his country, gloriously waving beneath the skies of America, he worthily represents our ideals. The homage which is being done him by America and Americans represents commendation of our policy of peace and fraternity.

File No. 033.3211/50.

The American Ambassador to the Secretary of State.

AMERICAN EMBASSY,
Rio de Janeiro, June 17, 1913.

SIR: I have the honor to enclose for the Division of Information the following press clippings [1] relating to the visit of Dr. Lauro Müller, Brazilian Minister for Foreign Affairs, to the United States, and to the effect which that visit is producing in Brazil [description of clippings.]

It will be observed that both the editorials and the press telegrams refer to the remarkable cordiality with which Dr. Lauro Müller has been received both by the Government and the people of the United States and to the gratifying impression which his reception has made both upon him and upon the Government and people of Brazil.

I have [etc.]

EDWIN V. MORGAN.

File No. 033.3211/59.

Itinerary of tour through the United States.

[Summary.]

June 16. Leave Washington. Breakfast at Bethlehem Steel Works and trip through works. Visit to Lehigh University. Arrive New York.

June 17. Official call by the Mayor of New York. Tour of city in automobiles. Luncheon with American Manufacturers' Export Association. Dinner and theater party given by the Pan-American Society.

June 18. Visit to West Point; reception with all the honors of state. Dinner by New York Chamber of Commerce. Leave New York.

June 19. Arrive Boston. Attend Commencement at Harvard; conferring upon the Ambassador of the degree of Doctor of Laws. Visit

[1] Not printed.

to Harvard Medical School. Dinner by Boston Chamber of Commerce. Leave Boston.

June 20. Arrive Niagara Falls.

June 21. Arrive Chicago. Receptions by the Governor of Illinois and Mayor of Chicago. Tour of the city. Dinner given by the Illinois Manufacturers' Association.

June 22. At Chicago; distinguished callers received.

June 23. Arrive Ames, Iowa. Visit to Iowa State College of Agriculture.

June 24. Arrive Denver. Automobile trip about the city. Arrive Colorado Springs. Ascent of Pike's Peak.

June 27. Arrive San Francisco. Escorted to hotel by a squadron of cavalry. Official visits. Motor trips to the sequoia groves and other points of interest. Entertainments by the management of the Panama-Pacific International Exposition. Ceremonies on the site of the Brazil Building of the Exposition.

July 3. Leave San Francisco.

July 4. Official and unofficial entertainment at Los Angeles and Riverside.

July 6. Visit Grand Canyon.

July 10. Arrive New York. Dinner given by the Coffee Trade of America, attended by the Secretary of State, who came on a special trip from Washington to bid farewell to Doctor Müller.

July 12. Reception given by the Special Ambassador on board the *Minas Geraes*.

July 13. Attend baseball game between New York and Cincinnati. Visit to Coney Island.

July 16. Departure for Brazil, with many official and popular demonstrations and ceremonies.

File No. 033.3211/57.

The Brazilian Minister for Foreign Affairs, on Special Mission, to the President.

[Telegram.]

NEW YORK, *July 16, 1913.*

Will Your Excellency allow me the honor of conveying to you my most respectful and grateful compliments on my leaving this great republic.

LAURO MÜLLER.

File No. 033.3211/57.

The President to the President of Brazil.

[Telegram.]

THE WHITE HOUSE,
Washington, July 16, 1913.

On the departure today of your Special Ambassador, Doctor Lauro Müller, on his homeward voyage I wish to express to Your Excellency the heartfelt pleasure which the Government and people of the United

States felt at welcoming this distinguished citizen and representative of your friendly Nation. Permit me to hope that in returning to his own country he will carry with him memories of his visit as delightful as those which it has left with us all.

WOODROW WILSON.

File No. 033.3211/63.

The Brazilian Chargé d'Affaires to the Secretary of State.

[Translation.]

BRAZILIAN EMBASSY,
Washington, August 18, 1913.

MR. SECRETARY OF STATE: In compliance with instructions that I have just received from Rio de Janeiro, I have the honor to inform your excellency that on his resuming today the duties of the office of Minister of State for Foreign Relations, Senhor Dr. Lauro Müller prays your excellency to be pleased to accept and convey to the President and the Vice President of the Republic, the Senate and House of Representatives, the high dignitaries of the Judiciary, the civil and military authorities, as well as to the press and people of the United States, the expression of his deep gratitude for the affectionate reception they extended to him here.

I avail [etc.]

E. L. CHERMONT.

File No. 033.3211/65.

The American Ambassador to the Secretary of State.

No. 238.] AMERICAN EMBASSY,
Rio de Janeiro, August 27, 1913.

SIR: I have the honor to report that on the 18th instant Dr. Lauro Müller resumed his official duties as Minister for Foreign Affairs which, during his absence in the United States, were performed by Dr. Regis de Oliveira, Under Secretary for Foreign Affairs.

The impression which not only Dr. Lauro Müller but the members of his party and the officers of the *Minas Geraes* have brought back from the United States should be satisfactory to our national pride. The elaboration and cordiality of the reception accorded them have deeply impressed the visitors, who have assured the Embassy that their experience surpassed their expectations. The knowledge of the power, enterprise and resources of the United States has been considerably extended in this country as a result both of the attention which the press has given to the visit and of the good accounts which have been brought back by the men who participated in it. The impression which Dr. Lauro Müller is believed to have made upon us and the extent and length of his journey must have greatly increased the knowledge of Brazil among the people of the United States.

I have [etc.]

EDWIN V. MORGAN.

File No. 033.3211/63.

The Secretary of State to the Chargé d'Affaires of Brazil.

No. 34.] DEPARTMENT OF STATE,
Washington, September 3, 1913.

SIR: I have the honor to acknowledge the receipt of your note of August 18, 1913, informing me of the resumption by Doctor Lauro Müller, Minister of State for Foreign Relations of Brazil, of the duties of his high office, and his excellency's desire that his appreciation of the courtesies extended to him during his recent visit to the United States be communicated to the President, the Vice President, the Senate, the House of Representatives, the heads of the Judiciary, Military and Civil branches of this Government as well as to the American people and the press.

In reply I have the honor to state that it will be my prompt and pleasant duty to carry out the wishes of Doctor Müller, whose high attributes and genial disposition made his visit to this country one of sincere pleasure [to] all who had the honor to meet him.

Accept [etc.]

For the Secretary of State:
ALVEY A. ADEE.

BULGARIA.

JUDICIAL PROCESS ISSUED IN BULGARIA FOR SERVICE IN THE UNITED STATES.

File No. 874.0432/2.

The American Chargé d'Affaires to the Secretary of State.

Bulgarian Series No. 306.] AMERICAN LEGATION,
Bucharest, October 11, 1913.

SIR: I have the honor to report that the Bulgarian Ministry of Foreign Affairs has forwarded three documents to the Legation which the judicial authorities of Sofia desire to have signed by Priest Ieromonach Grigori and Evangelie Pop Stefanoff both of whom reside at 258 Franklin Street, Steelton, Pennsylvania.

The Ministry requests that the documents be returned to it after they have been signed and dated by the persons named.

I have [etc.]

CHARLES CAMPBELL JR.

File No. 874.0432/2.

The Acting Secretary of State to the American Chargé d'Affaires.

No. 95. Bulgaria.] DEPARTMENT OF STATE,
Washington, October 31, 1913.

SIR: The Department acknowledges the receipt of your No. 306, Bulgarian Series, of the 11th instant, forwarding at the request of the Bulgarian Minister of Foreign Affairs three documents which the Bulgarian authorities at Sofia desire to have sent to and signed by Ieromonach Grigori and Evangelie Pop Stefanoff, both residing at 258 Franklin Street, Steelton, Pennsylvania.

An examination of the documents show them to be summonses to appear before a Bulgarian court to answer to suits brought against the persons mentioned.

The three papers are returned herewith in order that you may transmit them to the Minister of Foreign Affairs of Bulgaria with the following statement:

There is no provision made by the statutes of the United States whereby service of summons or other process of a foreign court can be effected on a resident of the United States, and that you are therefore constrained to return the papers to him.

I am [etc.]

J. B. MOORE.

EXTRATERRITORIAL RIGHTS AND MOST-FAVORED-NATION TREATMENT OF THE UNITED STATES IN BULGARIA.

File No. 711.743/16.

The Secretary of State to the American Minister.

No. 84.] DEPARTMENT OF STATE,
Washington, February 12, 1913.

SIR: The Department has received the despatches[1] of August 19th, November 12th and November 16th last (Bulgarian Series Nos. 111, 161 and 164) in which complying with the Department's instruction No. 35, of July 27th last,[1] you reported further concerning the projected abolition of the extraterritorial régime in Bulgaria.

From your No. 111, of August 19th, it appears that the trade-license law has not yet affected the interests of the United States or given cause for complaint by its citizens, and presumably would not have upon American interests the retroactive effect which it is understood constitutes the objection to the law on the part of the British and French Governments. It would therefore seem that the attitude of this Government towards the proposed discontinuance of extraterritorial conditions in Bulgaria would not be affected adversely by considerations in connection with the trade-license law.

In your No. 161, of November 12th, and No. 164, of November 16th, you indicated and commented upon the reservations which the American missionary interests in Bulgaria consider necessary or desirable; and with the latter of these despatches you enclosed a memorandum compiled from letters from Mr. Leroy F. Ostrander, of the American Institute at Zamokow, specifying the "requests to be made to the Bulgarian Government in behalf of American citizens residing in Bulgaria." An examination of the requests thus put forward in behalf of the American missionary interests in Bulgaria, and subsequently communicated to the Department in behalf of the American Board of Commissioners for Foreign Missions, has led the Department to the conclusion that, save in so far as they have a basis in the principle of most-favored-nation treatment, these requests are in the nature of special privileges, not possessing such a national interest as would warrant this Government's undertaking negotiations with a view to their realization. It is therefore considered that the interests of the American missionary enterprises in Bulgaria, as well as the other American interests which now exist or which may hereafter be created in that country, may be most satisfactorily and adequately served by assuring to them most-favored-nation treatment, in the fullest and most liberal sense possible, on the part of the Bulgarian Government. These views, which are believed to be substantially in accord with those indicated by you in your No. 164, of November 16th, were explained to Dr. James L. Barton, Secretary of the American Board of Commissioners for Foreign Missions, upon the occasion of a recent visit to the Department; and there has now been received from him a letter (a copy of which[1] is enclosed herewith) in which, in behalf of the American Board, he withdraws the requests for specific privileges previously made in conformity with Mr. Ostrander's sug-

[1] Not printed.

gestions, and expresses confidence that American interests would be amply protected by most-favored-nation treatment.

By reason of the fact that the United States possesses no capitulatory rights vis-à-vis Bulgaria, except by virtue of the Treaty of Berlin and through the operation of the most-favored-nation principle, which the Bulgarian Government recognizes as being applicable to this country as a matter of comity, there would seem to be no necessity for any formal negotiations on the subject of the relinquishment of American capitulatory rights in Bulgaria; it would seem feasible and advisable simply to define what is understood to be the existing situation by an exchange of views with the Bulgarian Government. To this end, you are authorized to bring to the knowledge of the Foreign Office, in whatever manner you may deem expedient, the fact that this Government, recognizing that it has no intrinsic right to the benefit of the Capitulations as established by the Treaty of Berlin, stands ready to facilitate the negotiations in which the Bulgarian Government is engaged, by assenting in advance to the relinquishment of such rights as it now enjoys in this respect, at such time as the signatory Powers shall all have consented to the discontinuance of the capitulatory régime; and you will take this occasion to seek from the Bulgarian Government an assurance of its readiness to accord to the United States, as a matter of international comity, the most extensive and liberal application of the principle of most-favored-nation treatment, including the extension to American citizens and their interests, whether commercial or religious or philanthropic, of all rights, privileges and exemptions which may be granted to the citizens or interests of any other nation.

There is enclosed herewith a copy of the letter,[1] under date of the 4th instant, which the Department is addressing to Dr. Barton in reply to his communication to which reference is made above.

I am [etc.]

P. C. KNOX.

File No. 711.743/17.

The American Minister to the Secretary of State.

Bulgarian Series, No. 207.] AMERICAN LEGATION,
Bucharest, February 26, 1913.

SIR: I have the honor to acknowledge the receipt today of your instruction No. 84, of the 12th instant, in regard to the effect of the "Capitulations" on American philanthropic and education institutions in Bulgaria, and to note with much satisfaction your authorization to bring to the knowledge of the Ministry of Foreign Affairs at Sofia the fact that the United States Government stands ready to facilitate the negotiations in which the Bulgarian Government is engaged by assenting in advance to the relinquishment of such rights as it now enjoys in this respect, at such time as the Powers signatory to the Treaty of Berlin shall have consented to the discontinuance of the capitulatory régime. On the occasion of my next visit to Sofia I shall take occasion to seek from the Bulgarian Government an assur-

[1] Not printed.

ance of its readiness to accord to the United States the most extensive and liberal application of the principle of most-favored-nation treatment to all American interests.

I have [etc.]

JOHN B. JACKSON.

File No. 711.743/18.

The American Minister to the Secretary of State.

Bulgarian Series, No. 318.] AMERICAN LEGATION,
Bucharest, October 23, 1913.

SIR: I have the honor to report that after waiting until the Department, under date of March 18th,[1] had acknowledged the due receipt of my despatch No. 207, of February 26, 1913, I communicated the contents of the Department's instruction No. 84 of February 12th to the Bulgarian Ministry of Foreign Affairs in a semi-official letter addressed to the then Secretary General of that Ministry. No reply was made to my letter, partially owing to the disorganization brought about by the conflict between the former Balkan Allies, and partially owing to the appointment of Mr. Dimitroff, the Secretary General, as Diplomatic Agent at Cairo, but I know that it was put on the files of the Ministry.

In speaking of this matter with Mr. Ghenadieff, the Minister of Foreign Affairs at Sofia, a few days ago, the Minister told me that Bulgaria was quite ready to accord to American educational and philanthropic institutions the same facilities as are accorded to those under other foreign (Austrian, French and German) protection. Under the circumstances I did not, however, feel at liberty to go into the matter at length, and I merely refer to it now in order that appropriate instructions may be given to my successor.

I have [etc.]

JOHN B. JACKSON.

WAR BETWEEN BULGARIA AND TURKEY.

(*See* Turkey.)

WAR BETWEEN BULGARIA AND GREECE, SERVIA, MONTENEGRO AND ROUMANIA.

File No. 768.74/75.

The American Minister to Greece to the Secretary of State.

[Extract.]

No. 107.] AMERICAN LEGATION,
Athens, July 10, 1913.

SIR: War having broken out between the Balkan allies, I have the honor to make a report to the Department on the conditions out of which the war finally developed and the real issue which it involves.

[The Minister here mentions his interviews with the Prime Ministers of Servia (June 24), Bulgaria (June 27), Roumania (June 19)

[1] Not printed.

and Greece (July 9 and previously). He then describes his observations of the military situation at Uskub (where the fighting began), Veles, Prilip, Monastir and Saloniki.]

The vital historical movement in the Balkans since the beginning of the 19th century has been the disentanglement of the subject peoples (Slav and Greek) from Turks and latterly their differentiation from one another. With the resurrection of these long-entombed nationalities and their recovery of national consciousness have come national self-assertion, the struggle for mastery, the determination to dominate rivals, and above all the deliberate policy to appropriate to the utmost possible extent the vast domain which the palsied hand of the Turk was gradually but inevitably releasing in Europe. * * *

Thrace, between the Black Sea and the Nestos River, had in the course of the war against Turkey been automatically assigned to Bulgaria, whose armies also occupied the territory west of the Nestos up to an irregular line approximately fixed by the points of Doiran, Strumica, Istip and Kochana, excepting only the Chalcidian Peninsula and its immediate hinterland which were held by the Greeks. By the same automatic process the war had assigned to the Greeks Epirus, Southern Albania and Southern Macedonia, up to the line of Koritsa, Florina and Gumendza, though the determinate northern boundary of New Greece awaited the action of the Great Powers as regards Albania and of the Allies as regards Macedonia. The valor of the soldiers of Montenegro had also marked out its field of expansion to the south and east of the present Kingdom. Of Turkey's possessions in Europe, apart from Constantinople with its fringe of hinterland and Albania with its unsettled southern frontier, there remained the territory known as Novi Bazar, Old Servia, and that portion of Macedonia lying between the provisional western boundary of New Bulgaria and the provisional northern boundary of New Greece; and this entire tract had been conquered and was held by Servian troops. To this Bulgaria objected. She made no issue over Novi Bazar and most or all of Old Servia; but in virtue of her treaty with Servia she claimed everything that was left in Macedonia north of the final Greek frontier and south and east of a line drawn from Ochrida towards the Vardar, which it intersected a few kilometres above Veles, extending thence over Ovce Polje to Egri Palanka and terminating on the present Bulgarian frontier at Golema Vrch. It is over the disposition of this triangular section of western Macedonia (which I traversed some days ago in two different directions) that the Allies have had recourse to arms; for though Bulgarians resented the Greek occupation of Saloniki, and Greeks the Bulgarian occupation of south eastern Macedonia—the Seres, Drama and Kavala district—it is improbable that either Government would have made war to alter the fait accompli in those localities.

Western Macedonia is the crux of the difficulty. Servia holds it by force of arms, but the population in the triangular section in dispute is not prevailingly Servian. The Greeks can make a good ethnological case for Monastir and some other points north of their present military frontier. But as a result of my own observations and inquiries I am disposed to believe that while the majority of the inhabitants are Mussulman—Turks or perhaps Albanians—the largest element in the Christian population is Bulgarian. * * *

Any ethnological statements about Macedonia, however, must be received with great reserve and no little suspicion. For the Balkan peoples, foreseeing the inevitable collapse of Turkish power in Europe, have long been busy in "staking out claims" for the succession. * * * Life, property, peace; order, justice, humanity, the sanctities of religion—these have all been ruthlessly sacrificed to establish in Macedonia the exclusive claims of rival nationalities to the Turk's inheritance. The maxim "live and let live" has been unknown among these fierce contestants for national aggrandizement.

[Here follows a minute explanation of the claims of each of the Balkan States as stated to the Minister by the respective Prime Ministers.]

At the close of the war with Turkey the Bulgarians not only concentrated their forces near the Greek lines, but they made successive attacks against sections of the region included in the Greek military occupation. Then followed violations of the neutral line, each resulting in a gain of territory for the Bulgarians and a corresponding loss for the Greeks. To prevent further effusion of blood there was finally and formally established a new line of demarkation which was traced on the basis of the state of things created by the previous aggressions of the Bulgarians. But though this took from Greek occupation half of the Panghaion—the region extending from Orphani towards Kavala—the line seems to have been loyally respected by the Greek forces. Suddenly, however, on the 30th of June the Bulgarian army crossed this line, and occupied the whole of the Panghaion, and commenced a rapid offensive against both the Greek and Servian fronts all along the line from Eleftherai on the Gulf of Kavala to Guevgheli on the Vardar, and thence to Kotchana, north of Istip. This being regarded as war though without a declaration, the conciliation of Mr. Venizelos was at an end and the Greek troops were ordered to advance. Mr. Venizelos declared in his speech in the Chamber of Deputies that this "advance demonstrated, what also the despatches of the King prove, that the Bulgarians had already commenced their march against Saloniki, which they planned to take by surprise."

Thus ended all hope of a peace settlement of the dispute between the late Allies against Turkey. For such a peace solution no one had striven more earnestly than Mr. Venizelos. He believed that the task of dividing the conquered Turkish territories could be accomplished by a conference of the representatives of the victorious Balkan States. And, in case of failure, he proposed arbitration. Nor was this programme of recent birth. On the contrary, only a few days after the declaration of war against the Ottoman Empire, Greece communicated with her allies on the subject of the division amongst them of Turkey in Europe, tracing the line of her own ethnological claims and adding that, in case of the failure of direct negotiations, she thought that the disputed points ought to be referred to arbitration. But Bulgaria gave no definite reply, and after months of waiting the question was postponed till the close of the war against Turkey. But Mr. Venizelos has not ceased to champion this method of settling the dispute, which he has kept, on all suitable occasions, before the view of the Allies and of Europe. And his devotion to the programme of

negotiation with recourse if necessary to arbitration gives Greece today an enormous moral advantage in the opinion of the civilized world.

[Remarks on the progress of the war.]

In the conversation already referred to I asked Mr. Venizelos what Greece was fighting for. First, he said in substance, we are defending ourselves against attack; and then, as regards our programme, we assert the principle of nationality, we oppose the hegemony, the domination, of Bulgaria, and we desire an equilibrium between the Balkan States.

To curb the pretensions of Bulgaria is now a leading object with the Greeks, Servians, and Montenegrins. This was clear both from the talk of Mr. Venizelos and [the Servian Prime Minister] Mr. Paschitch. But these are not the only national statesmen who would clip the Bulgarian wings. The Premier of Roumania, Mr. Maioresco, voiced the same policy in the conversation I had with him on June 19th, at which Minister Jackson was also present. And he said clearly that in case of war Roumania would adjust her frontiers on the Bulgarian side.

Time alone will show how Bulgaria can meet all these attacks. Meanwhile the auguries seem to be unpropitious for her.

I have [etc.]

J. G. SCHURMAN.

NOTE.—The treaty of peace was signed on August 10, 1913, and on August 11 the American Minister transmitted a copy of it to the Department, with a complete set of the protocols and annexes (despatch No. 435, Roumanian series; file No. 768.74/114).

140322°—F R 1913——6

CHINA.

INAUGURAL ADDRESS OF THE PRESIDENT, YUAN SHIH K'AI.[1]

During all the years in which I have taken part in political life I have always adopted a safe and firm policy, under the conviction that the fundamental basis upon which a nation is built is law and order. With law and order conserved a nation can then devote itself to uniting the people in the path of progress. I have therefore always been interested in everything calculated to enlighten the people but have necessarily always advanced by gradual steps. I have preferred to go slowly rather than hurriedly. I have always held the nation and people in too high esteem to be risked at one throw of the dice, thereby completely sweeping away the inherited teachings and traditions of four thousand years.

After the year 1909 I retired and paid no more attention to politics. My life-long ambition to save the country vanished like a fleeting cloud. However, when the outbreaks occurred at Wuchang and Hankow I was forced by circumstances again to assume the responsibilities of state. I was fearful lest my nation and my people might lose their existence, and my one thought was to mitigate their condition. Then the abdication of the Manchu Emperor took place and the Republic was proclaimed. Not discarded by the Five Great Races, I was chosen to be the Provisional President of the Republic. The republican form of government existed in China in embryo four thousand years ago, and thus is not entirely strange to us. But restrictions and obstructions were placed upon my authority, making progress impossible. I was worn out by anxiety and deprived of appetite and the power to sleep. But I persevered and persevered in the hope that peace and tranquility might come at last.

Unexpectedly, in the seventh month of this year, a handful of violent characters attempted to destroy the social fabric and overthrow the country, and the fate of the infant republic of eastern Asia trembled in the balance. To save the nation and its people I reluctantly resorted to arms, and in consequence of the general aversion from anarchy and the discipline of the troops the rebellion was suppressed within two months. After this it was my purpose to resign and go into retirement in order that I might enjoy the blessings of the Republic. But contrary to my wishes the people's convention has elected me, and the friendly powers have decided to recognize the Republic on the day when I should be elected. Therefore I did not dare, by setting a lofty standard of humility, to refuse to accept the position, for fear that the foundations of the nation might be shaken and the expectations of the fathers and brothers be

[1] Delivered October 10, 1913, in the Hall of Ceremonies. The translation was made by the Assistant Chinese Secretary of the American Legation from the text printed in the Peking Daily News of October 11, 1913, and was forwarded to the Department by the Chargé d' Affaires in his despatch No. 1078 of October 22, 1913, accompanied by a description of the ceremonies attending the inauguration. (File No. 893.001Y9/9.)

unfulfilled. I also am one of the citizens of the country and the single purpose of my heart is to effect the salvation of the nation and of its people. I dare not regard success or failure nor the hardships or slanders which I will have to bear. I have therefore forced myself to accept this post. I now take this opportunity to express some of my most sincere and friendly thoughts to the people of the Republic.

It is a saying of western scholars that a constitutional government is founded on law, and that a republican government is founded on morality. Morality should be considered as the actuality and law as the outward manifestation. Our people have been suddenly converted into citizens of a Republic, therefore it is imperative that there be law to support the morality of the people. I have made many inquiries among the learned scholars of France, America and other nations and have come at the true nature of republicanism. The republican form of government is a government which gathers together the ideas of all its citizens to form a perfect system of law for the strict observance of all, and liberty or freedom outside that system will be publicly discredited. This kind of law-abiding habit can only be developed gradually, until it becomes as habitual as rising up or going to bed, or as eating and sleeping. When such a point has been reached with us then will this nation be called a law-abiding nation. Though our citizens are by nature tractable they have never acquired to any great extent the habit of obedience to law. I expect the citizens of this country all to keep the laws, thereby unconsciously raising their moral standard.

Furthermore, the body of republican government is the people. The desire of the majority of the people is to live quietly and enjoy the fruit of their labors. But since the revolution the people have sustained all manner of hardships and difficulties, and to speak of their condition is heartrending. I have daily hoped for the restoration of the people to their normal condition, and I have not dared to put forth any measures which would tend to disturb them. I deeply regret that no precautions could be taken to restrain the violent characters who have caused the innocent to be afflicted. I wish to exert my utmost strength to allow the people to enjoy the real blessings of a republic so that the goal of seeking for them the greatest possible happiness may be attained. Earning a living has become so difficult, and the people have been so pressed by hunger and cold, that the more cunning ones among the violent characters have availed themselves of the opportunity to drive them to the path of death. This is indeed deplorable. It is desirable that the country enjoy a long period of peace. It is imperative that every man be enabled to earn a living, and this will only become possible by paying special attention to agriculture, industry and commerce.

I have heard that the best class of people in the enlightened countries enter upon a life of industry. The climate and natural resources of our country are by no means inferior to those of other powers; but as the arts of agriculture and cattle-breeding have not been studied, the results of industry are inferior, and mines, forests and fisheries are undeveloped, leaving the riches under the ground. No reliance has been placed on commerce and the export trade has steadily languished. It is like a rich man who after burying his

money in the ground complains continually of his poverty. I hope that the people of the whole country will direct their attention to industrial enterprises, so that opportunities of earning a living may be thereby extended. Thus will the foundation of the nation be firmly laid.

There are two reasons why the industries of the country have not been developed: first, because of the rudimentary state of education; second, because of a lack of capital. Every branch of industry is closely related to science. But physics and chemistry are not understood and the principles of steam and electricity are untaught. While others are engaged in the struggle for education or the war of commerce, we are still cleaving conservatively to the old system, and superstitiously resting our faith upon empty talk. I hope that the citizens of the country will introduce the enlightened educational methods of foreign countries. In government and law the practical and not the theoretical must be emphasized. These are my views regarding education.

Unless there is capital it is no use to talk of industry. In view of the fertility of our soil and the richness of our produce, how can this country be called poor? The necessities of life are but those things which are associated with clothing, food and dwelling, for which silver and gold serve as a medium of exchange. If there is a shortage of silver and gold the means of exchange are lessened. Without silver and gold we should be without a medium of exchange. Therefore, to prepare for the various industrial enterprises, we must look to our neighbors who possess an ample supply of the medium of exchange. When the natural resources are opened and there are no waste lands nor idle people, the capital which has been borrowed will become a never-ending source of profit. After paying off the capital a surplus will be left. Would not this be a better method than that of the man who buried his treasure and yet was continually worrying about his poverty? I hope, therefore, that my country will introduce foreign capital in order that the industry of the country may be stimulated and developed.

To introduce the civilization and capital of foreign countries would benefit not only this country but also the world at large. The highest ideal of world civilization is to supply the deficiency of others from our own surplus, conferring happiness upon society, practically without distinction between countries. This is why Confucius loved to talk of universalization. Now that our country has become a Republic all the old ideas belonging to the period of seclusion should be swept away. As our citizens observe the laws of our own country so should they also understand the common law of nations. In intercourse with other nations everything should be in accordance with the practices of civilization, and there should be no prejudice shown towards foreigners, which only leads to trouble and law-breaking.

The attitude of the foreign powers towards us has always been that of peace and fairness, and whenever occasion therefor has arisen they have rendered us cordial assistance. In this is furnished ample evidence of the civilization of the world, and such exhibitions of good will from friendly nations arouse in us sentiments of deep gratitude. It is most important that all citizens of the Republic

should clearly understand this, in order that with sincerity of purpose they may endeavor to strengthen the friendship of our international bonds. I hereby declare, therefore, that all treaties, conventions and other engagements entered into by the former Manchu and the Provisional Republican Governments with foreign governments shall be strictly observed, and that all contracts duly concluded by the former governments with foreign companies and individuals shall also be strictly observed; and further that all rights, privileges and immunities enjoyed by foreigners in China by virtue of international engagements, national enactments and established usages are hereby confirmed. This declaration I make with the view to maintain international amity and peace. All of you, citizens, should know that this is in accordance with a principle of international relations which must be carried out. If we can show an honest proof of our friendly intentions our relations with foreign countries will be properly managed.

The foregoing is but a summary of the thoughts which I desire to lay before you, citizens, and the moral which I want again to teach and enlarge upon consists of two characters: Tao Te [the practice of virtue]. These two characters are most comprehensive, and it has been impossible even for the great sages, by the use of thousands and thousands of words, to reveal their full significance. I will state what I understand by these two characters, and I will group my remarks under four heads: Chung [loyalty], Hsin [honesty], Tu [sincerity], and Ching [respect].

Loyalty. The original idea of loyalty is that a person should be loyal to his country and not to any particular man. If everyone held as his guiding principle loyalty to the nation instead of loyalty to a man or to a family, he would sacrifice his own interests for the interests of the majority. It is most important that everyone should pay less attention to the attainment of power and influence and more to the fulfillment of duty. The interests of the country should not be sacrificed for the acquisition of personal power and influence.

Honesty. Confucius said that without honesty no one can stand upright. In enlightened countries the deceitful are bywords among their fellow men and are held in general contempt. Washington when young received instruction from his father and thereafter never told a lie. From ancient times our country has laid stress on honesty, but of late the spirit of the people has not been as in earlier days. The people have acquired a habit of deceitfulness. Since it is difficult for a person to stand upright, how much more a nation. Tseng Kuo-fan of the late Ch'ing Dynasty said that in order to attain to upright stature it was essential never to tell a lie. Therefore, whether dealing with internal or with external problems, honesty is necessary.

Sincerity. In all enlightened countries no efforts have been spared to preserve the traditions of the nation, even so far as regards individual names or things. This is no impediment to progress. In the past the Renowned Religion has been the great bulwark of our country, and after four thousand years of alterations and changes there is the germ of something indestructible in it still. However, there are some who have been misguided by theory and are bent on destruction. They do not follow what is practical but are full of

high-sounding words. Before they have acquired any advantage from foreign learning they have thrown away all the traditions of their own country. This shallowness of mind has spread quickly. If there are no branches, where shall the leaves be attached? The remedy for the complaint here described is in sincerity.

Respect. One must have a constant mind before one can have a constant occupation. When a person destitute of constancy has business to attend to he will attend to it confusedly: when he has none to attend to he will be idle. All his affairs will be characterized by idleness. Everything will come to grief through carelessness. No one will take any responsibility: all will stand by mockingly. No one will attend even to his own private affairs. From this we can understand the virtue of the saying of the ancients: "Respect your business." To do away with pride and laziness there must be respect.

The four words Loyalty, Honesty, Sincerity and Respect should be used to encourage us. Let us keep them in mind every day and not allow them to leave our mouths. The principles upon which the nation is established are right and wrong, good and bad, and although the likes and dislikes of individuals are not always exactly the same, yet there is the same standard for right and wrong, good and bad. Speaking generally, those who discharge their duties and abide by the law are right and good, and those who have overstepped the bounds of propriety and violated the laws of righteousness are wrong and evil. I desire that the citizens of the country may have the power to discriminate between these two classes.

There are some persons who say that as civilization advances economy will give place to extravagance. A weak and poverty-stricken country trying to imitate the extravagances rather than the civilization of other nations is like a bed-ridden invalid trying to fight against an athlete. During recent years the standard of living of the people has steadily risen, but wealth has decreased in even greater proportion. There is an ancient saying that when a nation becomes extravagant economy should be preached. I therefore hope that in the practice of morality by the citizens more attention will be paid to economy.

In a word, if law and morality go hand in hand, the state will be firm and immovable. As for the problem of national defense, the country needs rest and recuperation, and this therefore is no time for struggle with armed force. But I am most anxious that every man in the army and navy regard it as his duty to obey orders and protect the people. Who among the officers does not know this? But these two duties have not been entirely observed in the shock of the late storm, and I must acknowledge that I have not been equal to my responsibilities. Hereafter I will pay great attention to moral education so that I may not be ashamed to face the people.

Actuated now by the most sincere and friendly sentiments, I declare before you, citizens, that for each day that I remain in office that day will I take full responsibility. The Chinese Republic is a republic of its four hundred million people. If brothers are friendly the family will be prosperous, if the people are of one heart and one mind the nation will be prosperous. This is my prayer for the Chinese Republic.

POLITICAL AFFAIRS. ORGANIZATION OF THE NATIONAL ASSEMBLY. RECOGNITION OF THE REPUBLIC OF CHINA BY THE UNITED STATES AND OTHER POWERS. INAUGURATION OF PRESIDENT YUAN SHIH K'AI. UPRISING IN SOUTHERN PROVINCES SUPPRESSED. EXPULSION BY PRESIDENTIAL DECREE OF NATIONALIST MEMBERS OF THE ASSEMBLY. FORMATION BY THE PRESIDENT OF A POLITICAL COUNCIL.[1]

File No. 893.00/1505.

The American Minister to the Secretary of State.

[Extract.]

No. 671.] AMERICAN LEGATION,
Peking, November 12, 1912.

SIR: I have the honor to report that as far as outward appearances go, the political situation here is one of gradual improvement. It is still far from ideal, and no great promise for the future is present, but, upon the whole, the political outlook is better than it was a few months ago.

This improvement is largely evidenced by the single fact that Yuan Shih-kai is slowly but steadily increasing his hold upon the country. * * * By common consent all hopes for the future are largely centered in this one man. Unfortunately he is aging fast, and the fear is often expressed that he may break down, and the wonder is, what will happen if such a misfortune occurs; there is no man in sight to take his place. * * *

It may be said that the improvement I have noticed is largely superficial. That no constructive work of any great importance has been done and none is under way. That the fundamental question as to the relation of the central government to the provinces remains undetermined. * * * This important question will probably not be settled until the permanent constitution is adopted. * * *

I think the over-shadowing fact remains that the country has settled down to the new order of things. The people, so far as they know anything about it, have accepted the Republic as an established fact. For a time I was afraid that there would be a great struggle for control, between the north and south, at the coming election, and that all kinds of trouble would ensue. But now that the opposition to Yuan has so largely disappeared, he may be regarded as the accepted leader, for the time at least. The crops this year have been uniformly good, except perhaps in a few districts subjected to unusual floods. This fact helps the situation very much; it brings not only comfort but confidence to the people; confidence, because the good crops show that Heaven was not so much displeased, after all, by the removal of the Emperor, and therefore, they may accept the new order with the assurance that it is all right from a religious as well as a political standpoint.

The difficult, the delicate and the dangerous problem with which the President is confronted, is how to get rid of the independent tutus or provincial governors, and also the military chiefs who defy all civil authority. Only one or the other of two ways is possible for the solution of this problem. The President must fight these men with armed

[1] Continued from For. Rel. 1912, pp. 46–86.

force and thereby in all probability bring on a civil war, or he must buy them off with money. He doubtless thinks the latter course is the easiest and the cheapest. * * *

It is not meant that it shall be implied that there is no legitimate or other need for money aside from the specific purpose above named. The disbandment of the troops is the most prominent need, but the arrearages of the indemnity and other liabilities, and the supply of the actual expenses of the Government in many legitimate ways, require the borrowing of money to bridge the country over until the disrupted revenues resume their normal returns. Without considerable money the new Government cannot get on its feet, so to speak. The query in every one's mind is how long the present condition of affairs will last; it cannot, in the very nature of things, last indefinitely. If Yuan is not supported, he will fail, anarchy will result, and armed foreign intervention, with all its complications and unforseen consequences will surely follow.

I have [etc.]

W. J. CALHOUN.

File No. 893.00/1529a.

The Secretary of State to the Chairman of the Senate Committee on Foreign Relations.

DEPARTMENT OF STATE,
Washington, February 4, 1913.

MY DEAR SENATOR CULLOM: Referring to your conversation this morning with Mr. Huntington Wilson, I have the honor to enclose herewith for your personal information a memorandum which I trust will give the information you desire on the status of the question of the recognition of China.

Very sincerely yours,

P. C. KNOX.

[Inclosure.]

Memorandum on the recognition of the "Republican Government of China."

The joint resolution providing for the immediate recognition of the Republican Government of China, introduced by Senator Bacon on January 2 (S. J. R. 146)[1], raises important questions of fact, law, and policy.

The resolution provides that—

Whereas the people of China have asserted the right of self-government, and in pursuance thereof have thrown off the rule of monarchy and sought to establish for themselves a representative republican Government; and

Whereas in the time which has elapsed since the establishment of their present republican Government satisfactory evidence has been given that a permanent and stable Government has been established and will be maintained: Therefore be it

Resolved, etc., That the present republican Government of China is hereby recognized by the United States of America, with all the powers and privileges of their intercourse and relations with this Government properly appertaining to and in general extended to independent and sovereign governments and nations.

The resolution is based upon the assumption that the present Government of China is, in point of fact, "representative", "permanent", and "stable", whereas the information received by the Department, both from its own repre-

[1] Cong'l Rec., Jan. 2, 1913, p. 914.

sentatives and by a comparison of views with other governments having large interests in China, goes to show that while it may be republican in principle the Government as at present constituted can not be considered truly representative; that it does not claim to be permanent; and that its stability is open to serious question.

I. FACTS.

The present Government of China is admittedly a provisional one formed to conduct the affairs of state until the meeting of the representative Constitutional Assembly which is to be soon convened for the purpose of adopting a permanent constitution and governmental organization which may be accepted as truly expressive of the will of the people.

The development and character of the existing Provisional Government in China may be briefly described as follows:

Early in the disturbances the revolutionary military leaders in the various Yangtze Provinces and in southern China established a cabinet form of government with Nanking as headquarters, and convoked in that city an assembly composed of their special representatives. On December 29[1] this assembly unanimously elected Sun Yat Sen Provisional President of the Republic of China and he was inaugurated as such on New Year's Day at that city. On February 12[2] the Throne abdicated in favor of a republican form of government, at the same time conferring on Yuan Shih-kai full power to organize such a government. Three days later Yuan was unanimously elected Provisional President by the Nanking Assembly and the resignation of Sun and his Cabinet was accepted by the Assembly to take effect on the inauguration of Yuan, which took place at Peking on March 10.

On February 13 the American minister at Peking was officially informed that the Chinese minister accredited to the Government of the United States would continue in the discharge of his functions under the designation "provisional diplomatic agent."

On March 10, the date of Yuan's inauguration, a provisional constitution, previously approved by the Peking authorities, was adopted by the Nanking Assembly providing that within 10 months after its promulgation the Provisional President should convene a representative national assembly to adopt a permanent constitution and elect a president, thereby providing for the normal establishment of constitutional government. In the meantime the authority of the State was to be exercised by an Advisory Council, the Provisional President, and his Cabinet.

The character and composition of the Nanking Assembly, which exercised such liberal powers on behalf of the 400,000,000 Chinese people, was indicated in a memorandum received through official channels, based upon information furnished by a member of the Nanking Government. From this memorandum dated March 19, 1912, it appears that the total membership of the Assembly was 34, and the Provinces and outer dependencies were represented as follows:

Kweichou	2	Hunan	3	Kirin	0
Szechwan	3	Shansi	2	Heilungkiang	0
Kiangsi	3	Shensi	1	Inner Mongolia	0
Fukien	3	Fengtien	1	Outer Mongolia	0
Kwangtung	3	Yunnan	1	Ch'inghai	0
Kwangsi	3	Shantung	2	Tibet	0
Chekiang	2	Hupeh	0		
Honan	1	Kiangsu	0	Total	34
Chihli	1	Kansu	0		
Anhwei	3	Sinkiang	0		

Hupeh and Kiangsu formerly sent three delegates each, but all had resigned. Shensi originally appointed three. One failed to attend and one had resigned. Shansi originally appointed three, but only two reported at Nanking. Chekiang originally had three delegates, but one resigned. *None of the members was regularly elected by the people of the respective Provinces.* Some seem to have been self-appointed. Some were selected by the provincial assemblies and some appointed by the "Tu-tu", or military governor. The memorandum adds:

> The Assembly seems to have taken itself very seriously, but it is difficult to see how it can be considered really representative.

Early in May, after the formation of a coalition government under Yuan, the Department telegraphed the Legation at Peking to report promptly as to

[1] 1911. [2] 1912.

how far, in the judgment of the Legation, and in the light of the more recent reports from our consuls, the situation in China was responsive to the conditions of recognition of governments under international law and specifically in what respects the Provisional Government still fell short of the requirements. In reply the Department received the following telegram, dated May 7.[1]

In July the Department addressed a circular telegram[2] to all the principal powers having important interests in China inquiring their disposition toward the question of recognition, based upon the information they had received from their representatives as to existing conditions in China. The governments were unanimous in replying[3] that, in the light of their reports, they did not regard conditions such as to warrant the consideration of the question of the formal recognition of the present Government until the assurance of its permanent stability should be of a more promising nature and until it should itself have been confirmed by the vote of the National Assembly convoked for the purpose and regularly invested with authority to express the will of the people.

In July, during a cabinet crisis precipitated by the sudden resignation of the Premier, Tong Shao-yi, President Yuan issued a public proclamation in which he declared that the Republic was not yet established; its foundations were yet insecure; and that it could hardly stand any political storm. The situation was so critical that he succeeded in getting a new cabinet confirmed by the Advisory Council only by a show of military force.

During the past few months the situation, while gradually improving, has not changed in any material respect save that the elections have been going on for the members of the new National Assembly, which is soon to be convened, probably in February or March. According to the latest official advices from Peking the date has not been definitely fixed, although the Provisional Constitution provides that it should meet not later than January 10.

It was upon these grounds that the President in his annual message[4] stated that—

> During the formative constitutional stage and pending definitive action by the assembly, as expressive of the popular will, and the hoped-for establishment of a stable republican form of government, capable of fulfilling its international obligations, the United States is, according to precedent, maintaining full and friendly de facto relations with the Provisional Government.

II. LAW.

In introducing the resolution Senator Bacon spoke as follows:[5]

> It has been a subject matter of discussion almost ever since the foundation of this Government as to whether the function of the recognition of an independent government, or, when there has been a change in government, the recognition of the stability and authority of a government is a function which belongs to the executive or to the legislative branch of the Government. When I say "legislative" I should properly say the law-making branch of the Government, which includes both the two Houses and the President.
>
> By some it is contended, and has been contended with much earnestness, that it is a function which exclusively belongs to the executive branch of the Government, whereas by others it has been contended with equal earnestness that it belongs to the law-making power of the Government. I believe the more conservative view is that which is represented by the opinion of many, that the initiative can be taken by either the Executive alone or by the law-making power, embracing the joint action of both the legislative and the executive branches of the Government—the Congress and the President—acting in a legislative capacity. In my opinion, the ultimate power of decision is with the law-making power, and where the final action in such case has been taken by the Executive it has been final through the acquiescence and approval of the Congress. But without now stopping to discuss the question I simply make the statement in order that my attitude may not be misunderstood in introducing the joint resolution. I move that it be referred to the Committee on Foreign Relations.

In regard to this aspect of the question it is perhaps sufficient to point out that Mr. Moore, in his International Law Digest, sums up some 170 pages of precedent and opinions in the following words:

> In the preceding review of the recognition, respectively, of new states, new governments, and belligerency, there has been made in each case a precise statement of facts, showing how and by whom the recognition was accorded. In every case, as it appears, of a new government and of belligerency, the question of recognition was determined solely by the Executive. [Vol. 1, p. 243.]

It should be noted that in the case of China the question involved is the recognition of a new Government and not a new State.

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[1] See For. Rel. 1912, p. 78.
[2] Id. p. 81.
[3] Id. pp. 82–85.
[4] Id. p. XXI, last line.
[5] Congressional Record, Jan. 2, 1913, p. 914.

In a "Memorandum upon the Power to Recognize the Independence of a New Foreign State," presented to the Senate in January, 1897, by Mr. Hale (see Senate Document No. 56, Fifty-fourth Congress, second session) the statement is made that—

> It will be shown, both by the terms of the Constitution itself and by the uniform practice thereunder, that the recognition of independence of a new foreign power is an act of the Executive (President alone, or President and Senate), and not of the legislative branch of the Government, although the executive branch may properly first consult the legislative.

Speaking on the proposition "That the power to recognize belligerency or independence of a foreign government is executive in its nature has been recognized by the weight of authority in Congress, and almost without exception by the executive branch", the report continues:

> *Acquiescence by Congress.*—It is entirely erroneous to suppose that the present question is a novel one. The boundaries between the legislative and executive powers in relation to foreign affairs have been debated since the very foundation of the Government. The right to recognize the independence of a foreign state was discussed with great ability at the time of the South American revolutions, and received some attention again at the time of the revolution in Texas. The weight of authority, legislative as well as executive, was strongly against the right of Congress to interfere. In each case the President, when the time came for recognition, acted in concert with Congress, for the obvious reason that affirmative action might involve the nation in war, and thus force Congress to make large appropriations and otherwise assist in the settlement of the controversy thus opened. The question has occasionally arisen since for discussion, as in 1864 and 1877. It has never been fully debated, however, since the time of Monroe.
>
> The number of instances in which the Executive has recognized a new foreign power without consulting Congress (because not anticipating consequences which made such consultation necessary) has been very great. No objection has been made by Congress in any of these instances. The legislative power has thus for 100 years impliedly confirmed the view that the right to recognize a new foreign government belonged to the Executive; and if it is correct doctrine that the same power can not be exercised for the same purposes by two different branches of the Government, this implied approval is conclusive of the whole present controversy.

III. POLICY.

The matter of policy involves the question as to the wisest and most effective way, in according recognition, to safeguard foreign interests and the best interests of China itself. It is desirable that in this, as in other matters concerning China, there should be harmonious action among the powers most vitally interested. The situation is not an ordinary one. It presents the spectacle of about one-fourth of the world's population overturning a form of government that has been the religion of the people and the supreme expression of their civilization for over 4,000 years.

A new condition of affairs has been created in China which presents many serious and complicated problems, both of internal rehabilitation and of international relations, which will require much time and patience to solve. The establishment of orderly and stable government must necessarily proceed slowly and by degrees. The efforts of this Government have therefore been directed primarily toward securing, if possible, such a sympathetic and just cooperation among the powers as would not only best protect their own interests but would also safeguard the welfare of China. While these efforts have involved no commitment on the part of this Government to the prejudice of such freedom of action on our part as might at any time seem best or necessary in the carrying out of our historic policies in China, it should be noted that in the exchange of views with the interested foreign governments in July last a majority concurred in the opinion that the best results, both for China and the powers, could be obtained only by the harmonious action of the governments largely interested.

When the elective National Assembly of China convenes, the question will arise as to whether this Government shall take cognizance of the first definitive act of this constituent assembly in declaring by proclamation or otherwise that it adopts a republican form of government, or whether we shall wait until the constitution has been adopted and the new Government formally established in accordance therewith.

Our latest precedent—that of Portugal[1]—is in favor of the first course, and our precedents generally may be said to be in favor of the earliest recognition consistent with the usual standards of international law and our national interests.

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[1] See For. Rel. 1911, p. 689.

On the other hand, it seems quite certain that none of the other government, with the possible exception of Germany, would be inclined to join us in such recognition before the constitution had been adopted and the new Government fully established in accordance therewith, at which time Great Britain and France as well as Germany might be willing to join us, while it is probable that Japan and Russia would desire, if possible, to delay action still further by demanding certain formal guaranties of the rights of foreigners acquired by treaty or usage.

The position taken in the President's message quoted above is broad enough to cover either of these courses.

The question, therefore, becomes one of policy and the choice would be between, on the one hand, acting in accordance with our precedents and getting for this administration any advantage that might be attached to the prompt recognition of the Republic and, on the other hand, consistently adhering to our policy of cooperation, which we believe has thus far been to the best interests of China.

It is possible that by adopting the second alternative we might reach a definite understanding with England, France, and Germany that they would act with us without further delay when the new Government had been regularly established, in which case Japan and Russia also doubtless would join. Should we act independently on the first alternative it is quite probable that England and France would then wait until their allies, Japan and Russia, were ready to act and general recognition by the powers, which would be of the greatest value to China, would be thereby considerably delayed. Any understanding such as that above mentioned, unless it could be acted upon before March 4, might be an embarrassment to the next administration.

A third possibility would be simply to stand by the position taken in the message and await developments without either taking cognizance of any preliminary proclamation or making any attempt at an understanding with the other powers, allowing the question, if necessary, to go over to the next administration.

If the first alternative be adopted, it seems that we would be bound in courtesy to give sufficient previous notice of our intention to the other governments with which we have thus far been cooperating to allow them, if they chose, to act simultaneously with us.

File No. 893.00/1548a.

The Acting Secretary of State to the Secretary to the President.

DEPARTMENT OF STATE,
Washington, February 25, 1913.

DEAR MR. HILLES: Referring to our conversation by telephone this morning regarding the request of Dr. Butler for information upon the question of the recognition of the Republic of China, I beg to make the following observations, setting forth quite fully the views of the Department on the subject.

In the recognition of the changes of form of administration in foreign governments, the policy of this country for nearly a century and a half has been to apply the de facto test and be satisfied that the new authority in power exists with the acquiescence of the governed and is in a position to discharge all international obligations pertaining to the state. It has also been the policy to enter into practical relations with the temporary government of such a state, pending final organization. On February 13, 1912, the Foreign Office at Peking notified the American Legation that China had entered upon a formative period and that the Provisional United Government had decided to continue the foreign minister accredited to the United States under the temporary designation of "Provisional Diplomatic

Agent." On February 14, 1912, the Chinese Minister officially informed this Government[1] that the Emperor in abdicating had vested Yuan Shih-Kai with power to adopt and establish a Republican form of government and that pending the establishment of such a government, the diplomatic and consular officers of China abroad are and continue in the discharge of their functions. Pursuant to established policy, the Chinese Minister was promptly admitted to full relations with this Department and the American Minister at Peking was permitted to continue in the exercise of his office. The two countries are therefore practically in full relations during the formative or provisional period.

The Provisional Government has called a Constituent Assembly to frame a constitution, and if the result be to change the existing Provisional Government into a permanent constitutional government with the assent of the governed, the claims of such a government to recognition would, of course, be promptly and sympathetically considered. In the meantime, the diplomatic intercourse of the two countries is complete as far as China has gone, and the United States is in full relations with the Government which announces itself to exist provisionally in virtue of an imperial decree and to be formative only, looking to the eventual establishment of a republican form of government.

It was upon these grounds that the President in his annual message stated that

> During the formative constitutional stage and pending definitive action by the Assembly, as expressive of the popular will, and the hoped-for establishment of a stable republican form of government, capable of fulfilling its international obligations, the United States is, according to precedent, maintaining full and friendly de facto relations with the Provisional Government.

This is the view of the situation taken by the other leading powers and no government whatever has as yet accorded formal recognition to the Republic of China. Under the circumstances it is difficult to see what further action could consistently be taken until the Constituent Assembly has actually met.

Trusting that the above statement contains the desired information, I am [etc.]

HUNTINGTON WILSON.

File No. 811.001W69/3.

The Chinese Minister to the Secretary of State.

LEGATION OF CHINA,
Washington, March 4, 1913.

I have the honor to inform you that I am in receipt of a cablegram containing a congratulatory message addressed to the President of the United States by the President of the Republic of China. I take great pleasure to transmit herewith an English translation of it, and I beg that you will be good enough to convey it to its high destination.

Accept [etc.]

CHANG YIN TANG.

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[1] For. Rel. 1912, p. 66.

File No. 811.001W69/3.

The Secretary of State to the Chinese Minister.

DEPARTMENT OF STATE,
Washington, March 8, 1913.

SIR: I have the honor to acknowledge the receipt of your note of the 4th instant enclosing a translation of a congratulatory message addressed to the President by the President of China.

I beg you to be so good as to inform President Yuan Shi-Kai that his good wishes are highly appreciated by the President.

Accept [etc.]

W. J. BRYAN.

File No. 893.00/1595.

The American Chargé d'Affaires to the Secretary of State.

[Extract.]

No. 772.] AMERICAN LEGATION,
Peking, March 11, 1913.

SIR: I have the honor to report as follows upon the present political situation in China.

THE ELECTIONS.

The recent elections for the national House of Representatives and for the provincial assemblies passed off in most districts very quietly. * * * Some of these assemblies are now in session and have held the senatorial elections. All are expected to make choice within a few days and the National Assembly will perhaps meet about the middle of April. * * *

THE ADVISORY COUNCIL AND THE PRESIDENT.

The Advisory Council, as the provisional parliament is called, has obstructed the President at every turn. The President having found it difficult to secure the support of the Advisory Council for his policies, has resorted to various methods to overcome the obstruction. At times he has summoned the leaders and reasoned with them; at times he has secured the necessary votes by special favors granted. At times the military have appeared in the galleries of the Council chamber, or the generals have sent strongly worded letters of advice to the Council, which has thus been intimidated into compliance with the President's views. But for over two months now it has been impossible to secure a quorum for the transaction of business except upon three occasions when bills were brought up which the majority favored. * * *

THE CONSTITUTIONAL CONVENTION.

One subject of disagreement between the President and the Council has been a Government bill to organize a constitutional committee. The provisional constitution provides that the permanent constitution shall be adopted by the National Assembly, which has not yet

convened. The Council, therefore, refuses to pass the measure proposed by the President. But the President holds that the appointment of a committee to draft a constitution does not infringe the provisions of the present constitution, inasmuch as the National Assembly will in any event have to pass upon the work of the committee. His measure is urged as a time-saving expedient. * * *

THE PROVINCES AND PEKING.

Provincial feeling has always been strong in China. Patriotism has been parochial, rather than national, and the provinces having broken away one by one, as they did in the revolution, from the control of Peking, are reluctant to surrender their independence. * * * It will doubtless be many months before this question can be adjusted, for the jealousy of the provinces towards one another and towards Peking is no less pronounced than was that of our own colonies towards each other and towards the Federal Government in our own early history.

The situation is made more difficult here by the existence of provincial armies controlled by the military governors of the provinces who are not eager to surrender their present power and profits. The Tutu or Military Governor of Kiangsi has, within a few days past, openly defied the authority of the President. * * * There has been a conflict of authority in Shansi, also. * * * An attempt upon the life of the Civil Governor of Fukien was made at Foochow shortly after his arrival, on February 4th. In the same province, a rebellion has been in progress for some months past in the prefecture of Hsing-hua. * * * At the beginning of February, a plot against the Vice President of the Republic was discovered in Wuchang. * * * Other conspiracies have been unearthed in Shanghai and Nanking. * * * Northern Manchuria is over-run with bandits and a mutiny of the troops in the Chien-tao district occurred on February 6th. * * * Honan is infested with robbers, and the authorities appear to be unable to suppress them. Cities that last year were considering the demolition of their walls are now repairing and strengthening them. A serious outbreak occurred recently in southwestern Shansi, and a missionary writing from Ho-tsin says the people are weary of the Republic and are beginning to shave their heads and again grow queues. The war with Tibet drags on in western Szechuen, where the Chinese troops have suffered severe reverses. Large numbers have deserted. Disorders have occurred also in Kueichou and in Shantung.

THE MONGOLIAN SITUATION.

Of more serious import is the situation in Mongolia. * * * Russians are drilling the Mongol troops and the latter are planning to raid the Chinese settlements in Inner Mongolia at the opening of Spring. * * * Such a conflict, if it lead the Chinese over the border, would furnish all the excuse that Russia would need for attacking China. * * *

I have [etc.]

E. T. WILLIAMS.

File No. 893.00/1612.

The American Chargé d'Affaires to the Secretary of State.

[Extract.]

No. 780.] AMERICAN LEGATION,
Peking, March 18, 1913.

SIR: Continuing my No. 772, of March 11, 1913. I have the honor to report further upon the political situation in China, as follows:

COUNCIL AND ASSEMBLY.

* * * The Council having refused to sanction the President's proposal for a constitutional committee, the project has been abandoned. The leading political parties are conferring in regard to the matter and it is now proposed that when the Assembly meets it shall at once pass two articles of the constitution providing for the election of a permanent President and the appointment of a Premier and Cabinet; that following this the election shall be held and the new government inaugurated; after which the Assembly will proceed with the drafting of the Constitution.

FINANCES.

The Government has relieved itself temporarily of financial embarrassment by making some small loans. * * * On the other hand, the Minister of Finance reports the situation as improved. Immediate necessities, he says, are met by these small loans and the appeal of the Central Government to the provinces has, he says, brought in some funds. It is evident however that the Government is living from hand to mouth.

MONGOLIA.

According to information received on the 15th instant from the War Office, the Mongols have already begun their attack upon the Chinese frontier settlements. * * *

I have [etc.]

E. T. WILLIAMS.

File No. 893.00/1607.

The American Chargé d'Affaires to the Secretary of State.

[Extract.]

No. 782.] AMERICAN LEGATION,
Peking, March 18, 1913.

SIR: I have the honor to submit the following observations upon the advisability of a recognition of the Republic of China by the United States of America.

In the reports upon the political situation in China recently sent by the Legation the unsatisfactory condition of the present Provisional Government is to some extent set forth.

It must be admitted that the masses of the people of China take little or no interest in the Republic. They are too ignorant to under-

stand the meaning of the word "republic." * * * Patriotism in China has for the most part been parochial; at best but provincial. Provincial jealousies have been very strong. * * * Recent changes in the organization of the army had created considerable bodies of troops that were serving in their own provinces and thus in sympathy with their fellow provincials as against the Peking Government. Province after province thus broke away from the Empire, with little or no fighting, and declared their independence. By the abdication of the Manchus a reunion of the provinces became possible and a republic was proclaimed. But the brief experience of self-government has awakened, especially in the southern and central provinces, a strong desire to preserve their autonomy, and a jealousy of the authority of the Central Government has developed not unlike that which the American colonies displayed toward the Federal Government at the close of our own Revolution. For this reason the present republican Government in Peking has been left almost without revenue and finds it difficult to enforce its authority when opposed to local interests. * * *

But, on the other hand, it remains a fact that the people, however indifferent to the form of government, are making no resistance to the new order. They are a peaceable people and have shown themselves quick to appreciate any measure looking toward the improvement of their condition by the development of the natural resources of their country, the improvement of communications, the introduction of various new industries, and the opening of schools, and there can be no doubt whatever that, given time, they will show themselves capable of self-government. * * * Parochialism, too, is slowly disappearing with the spread of education and by the extension of railways and steamship lines, which have made intercommunication easier. The encroachments of the foreigner have done much to hasten this recognition of national interests. The coming of the missionary into the remotest corners of the country, bringing with him a broader outlook upon the world, and the intermingling of Christians from all the provinces in the national gatherings that have been held in recent years have aided this tendency in a very marked degree.

Furthermore, the Provisional President has shown marvelous tact in reconciling the conflicting interests of the provinces and strengthening the bonds of the union. The disorders which have occurred in various provinces are, after all, no worse than those which were of frequent occurrence under the Manchus. When it is realized what a great revolution has occurred, it is surprising that order has been so well maintained. * * *

Taking all these facts into consideration, it seems to me that even the most discouraging features of the situation in China are not of a sort to recommend delay in recognizing the new Government.

There is no rival government contending with it for the possession of the country. The Manchus are not offering any resistance to it. It was established, in fact, by the cooperation of the Manchu Government, which abdicated with the object of preventing further civil strife. It has complete possession of all the provinces of China proper and of Manchuria. Outer Mongolia declared its independence before the Republic was formed. Tibet is engaged in strife with the

Republic, but Tibet has always been autonomous, as indeed is true also of Mongolia. The elections just held throughout the 22 provinces, in spite of the delays and deadlocks occurring in some, show that the people who really take any interest in the political situation mean to stand by the Republic. But even if it should prove true that a dictatorship or an empire is to succeed the present Government it would be no more than has happened in the case of other republics recognized by the United States, and there is nothing in the anticipation of such an event to encourage us to withhold from this struggling Republic a sympathetic recognition by the Mother of Republics.

Such a recognition would of itself do much to prevent a return to imperialism. The Chinese have an exaggerated idea of the importance of recognition by the western powers. They have been especially chagrined by the failure of the United States to recognize their new Government. They are confidently expecting that when the National Assembly meets and the President is elected the foreign powers will recognize the Republic.

I believe that our own should be the first government to do so. It will greatly strengthen the good feeling toward us already existing, and it may serve to prevent the making by other governments of such unjust conditions of recognition as have in some cases been proposed. Great Britain has stated that it will not recognize the Republic until China shall have entered into a new convention with it respecting Tibet. Others are suggesting other conditions—some the reorganization of the courts; some the abolition of likin; some the enlargement of foreign jurisdiction in the treaty ports.

I do not believe that any real advantage is to be gained by wounding Chinese pride and arousing the enmity of those with whom we must deal in the settlement of outstanding questions and in the promotion of American interests. There must be mutual respect, if international intercourse is to be of any value.

I have the honor to suggest that, while the cooperation of the great powers has resulted in much good to China, if a continuance of that policy requires us to withhold recognition of the Republic until all are agreed to recognize it, we may injure our interests and merely promote the aggressive designs of others.

I have [etc.]

E. T. WILLIAMS.

NOTE.—On March 24 the Department received a memorandum from the Japanese Embassy the first paragraph of which relates to the Chinese loan; the second paragraph concerns the recognition of the Republic; see pp. 173–174.

File No. 893.00/1571.

The Chinese Minister for Foreign Affairs to the Secretary of State.

[Telegram.]

FOREIGN OFFICE,
Peking, March 25, 1913.

Happy to learn of your assumption of the office of Secretary of State I beg to congratulate you heartily and assure you of my sin-

cere wishes for your personal happiness and prosperity. I feel grateful for the renewed expression by the Government of the United States[1] of sympathy and good will toward the Chinese Republic. Remembering with appreciation your own generous interest in the well being of my country as seen on the occasion of your visit to us five years ago as well as on other occasions, I cannot refrain from hoping with confidence that the traditional relations between China and the United States, always friends at heart and now sisters in liberty, will be even more closely cemented by your eminent hands and that the first step you will see fit to take in this direction may be to urge President Wilson, loyal to the glorious traditions of the United States, to be the first representative of a great and generous nation to introduce the Republic of China into the family of nations.

LOU TSENG TSIANG.

File No. 893.00/1585.

The Acting Secretary of State to the Secretary to the President.

[Extract.]

DEPARTMENT OF STATE,
Washington, March 27, 1913.

MY DEAR MR. TUMULTY: I send for the President's perusal a memorandum of a conversation I have had today with the Secretary of the Brazilian Embassy, in relation to the recognition of China.

Very cordially yours,

ALVEY A. ADEE.

[Inclosure.]

Memorandum of Interview, March 27, 1913.

The Secretary of the Brazilian Embassy (for the Ambassador) called upon Mr. Adee this morning to say that the Ambassador had received a telegram from his Government asking if the American Government has taken any steps about the recognition of China.

Mr. Adee said that the matter was under careful consideration by the President, but that nothing further would be done until after Mr. Bryan's return.

Merely by way of unofficial observation, Mr. Adee added that this Government is already in de facto relations with the existing Government of China. Our Minister in China carries on business with the new Government and the Chinese Minister is treated on the same footing here as the ministers of other powers. Diplomatic relations between the two countries are therefore continuing just as usual; but of course complete recognition of the nature of the Government will depend upon our being advised of the present status thereof, and it is this phase of the matter to which the President and the Secretary of State are now giving due consideration.

The Secretary of Embassy thanked Mr. Adee, and said the Ambassador would bring up the matter in a week or so with Mr. Bryan, by which time perhaps a conclusion will have been reached.

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[1] This probably alludes to the interview with the Assistant Secretary of State on March 25 (see Loan negotiations, p. 175); also to the declaration of policy sent to Peking March 19 (see pp. 170–171).

File No. 893.00/1571.

The Secretary of State to the American Chargé d'Affaires.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, March 28, 1913.

Informally express to Mr. Lou my thanks for his congratulations, and add that this Government is giving careful and sympathetic consideration to the question of recognition of the Republic.

BRYAN.

File No. 893.00/1575.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Peking, March 28, 1913.

The Minister for Foreign Affairs requests me to express the desire of President Yuan for immediate recognition by the United States, and in view of the tension existing I add my recommendation thereof. President Yuan believes such recognition would greatly strengthen his Government in popular esteem and also with the Assembly, which will soon convene.

WILLIAMS.

File No. 893.00/1669.

The Second Assistant Secretary to the Secretary of State.

[Memorandum.]

Mr. SECRETARY: In response to your request I endeavor to formulate my personal views in regard to the general question of recognizing foreign governments, and in respect to the peculiar conditions in the case of China.

It will, I think, simplify the matter to keep in mind the distinction between the recognition necessary to the conduct of international business between two countries and the recognition of the *form* of government professed by a foreign country.

In the former case, ever since the American Revolution entrance upon diplomatic intercourse with foreign states has been *de facto*, dependent upon the existence of three conditions of fact: the control of the administrative machinery of the state; the general acquiescence of its people; and the ability and willingness of their government to discharge international and conventional obligations. The form of government has not been a conditional factor in such recognition; in other words, the *de jure* element of legitimacy of title has been left aside, probably because liable to involve dynastic or constitutional questions hardly within our competency to adjudicate, especially so when the organic form of government has been changed, as by revolution, from a monarchy to a commonwealth or vice versa. The general practice in such cases has been to satisfy ourselves that the change was effective and to enter into relation with the authority in *de facto* possession.

In some instances of such changes in the form of government, there have been distinct stages in the process of evolution: as in the case of Brazil, where the Empire gave place to the Provisional Government of the Republic, this being in turn succeeded by a Constitutional Federal Republic with an elected President. Again, upon the downfall of the Second French Empire, the reins of authority were taken up by the Government of National Defence of France which continued until the Republic was proclaimed by the Constituent Assembly and a President was chosen. On these occasions the United States entered at once into relations with the governing authority at each stage, by giving notice through our diplomatic representative. The same thing occurred in Portugal, when the Monarchy was replaced by the revolutionary Provisional Republic, and this by the final proclamation of the Portuguese Republic by the Constituent Assembly.

The case, in China, was and is more complex than either of those cited. At my request Mr. Miller has prepared a statement, hereto appended, showing the successive stages of the movement and the character of our relations with the governing authority of China. I may briefly remark that at the outset of the revolution which brought about the abdication of the Emperor, there were for a time two distinct forms of republican government. The southern provinces proclaimed the Republic of China, and by the vote of their revolutionary assembly chose Sun Yat Sen as President. In the north, the Emperor on abdicating, placed the administrative power in the hands of Yuan Shih Kai, for the purpose of framing a republican form of government. The merger of these two elements was soon effected by the resignation of Sun Yat Sen, and the acceptance of Yuan Shih Kai's presidency by the assembly of the southern provinces. Therewith, the southern assembly disappeared as an independent constitutional factor by being merged with the Advisory Council at Peking, and the control of China remained under one administrative head as provided by the Provisional Constitution.

The United States at no time entered into diplomatic relations with the southern republic of Sun Yat Sen. The American Legation at Peking continued to discharge all diplomatic functions and transacted business with the administration of Yuan Shih Kai, upon being notified that he had assumed power and that China had entered upon the "formative" period of republican existence. The notification made by the Chinese Minister in Washington to the effect that he was charged, as Provisional Diplomatic Agent of China, with the conduct of international business, was accepted and he has since been treated in every respect on the same footing as the accredited Ministers of the other Powers. The status of the American Minister at Peking has remained unchanged. Every usual function of international intercourse between sovereign states has been performed, although informally, in the regular course, and consular exequaturs have been asked and granted on both sides according to the established formalities.

Since the initial notification of the establishment of the Provisional Government of Yuan Shih Kai, and of the title and status of the Chinese representative in Washington, there has been no announcement of any change in the administrative system of China. That

the formative stage still continues may be inferred from the recent official communication, by the Chinese Minister, of the intelligence that the now-elected Constituent Assembly is to meet on the 8th of April, 1913.

The latest communication in this regard that has reached us is the telegram from Chargé Williams, dated Peking, March 28 (today), conveying "the desire of President Yuan for immediate recognition by the United States." This would seem on its face not to be a request for the recognition of the Chinese Republic as a republic, but rather suggests Yuan Shih Kai's wish to have his status as President recognized in some more explicit way than it has hitherto been. This inference may find support in Mr. William's mention of "the tension existing," which may refer to the reported activities of the adherents of Yuan Shih Kai and Sun Yat Sen, mentioned in the memorandum of the Far Eastern Division.

You have asked my views on the question of recognition in general, and as affecting the Chinese situation in particular.

In the practice of the United States, there are several formulae of recognition.

The first and most usual is, the notification, by the American representative at the foreign capital, that he is instructed to enter into relations with the new government. This is ordinarily supplemented by informing the foreign minister (if there be one) in Washington in a like sense.

The second, and the course very generally followed in other countries, is the acknowledgment, by the President, of a letter addressed to him by the head of the new foreign government announcing his assumption of authority. (It is in this way that King George V is reported to intend to recognize General Huerta as Constitutional *interim* President of the United Mexican States—that being the style and title used by General Huerta in his formal letter of announcement.)

The third, also usual in the intercourse of states, is the reception of an envoy by the President, in audience for the purpose of presenting his letters of credence.

The fourth is the reception, by the President, of the continuing diplomatic agent of the foreign state, for the purpose of making oral announcement of the change of government. In both these two latter cases, the complimentary addresses of the envoy and the President suffice to define and accentuate the scope of the recognition so effected.

A fifth method may be available, namely, the formal delivery by the American envoy at the foreign capital, to the head of the new government, of a message of recognition from the President, or of a congratulatory resolution of the American Congress if one have been passed.

The sixth method, which was adopted in the case of Portugal and Spain (and, I think, in the case of the French Republic, 1871) is to supplement the recognition of a provisional or interim government by a formal announcement of recognition, made by the American envoy, upon the adoption of a new form of government by the national assembly of the foreign state.

You have invited my suggestion as to the form of recognition preferably to be given in the present case of China. I answer, with considerable diffidence:

1. If the purpose be to recognize more emphatically the existing government of China in the person of its present Head, Yuan Shih Kai, that could be immediately effected by granting the Chinese Minister audience to deliver to the President the telegram of congratulation entrusted to him by Yuan Shih Kai. This, however, would not of itself have the effect of recognizing the Republic of China as a Republic but would be a confirmatory supplement to our present acceptance of Yuan Shih Kai as the responsible head of the Chinese administration, although it would be open to the President to embody in his reply-address a designation of China as a Republic.

2. If, however, the intention be to make effective recognition of the form of government in China as being that of a Republic, the sixth alternative as above described would appear to be in order if, as is anticipated, the forthcoming National Assembly which is to meet on April 8th should proclaim the Republic and proceed to its definite organization. To ensure immediate action in such a contingency, the American Legation at Peking could be instructed in advance to make the appropriate announcement so soon as the Assembly acts. This course was adopted in the Portuguese instance, as will be seen by the annexed copy of the telegraphic instruction sent on June 6, 1911, to the Legation at Lisbon.[1]

Respectfully submitted,

ALVEY A. ADEE.

DEPARTMENT OF STATE,
Washington, March 28, 1913.

[Inclosure.]

Memorandum by the Division of Far Eastern Affairs on the development and character of the existing Government in China.

Early in the disturbances the revolutionary military leaders in the various Yangtze provinces and in southern China established a cabinet form of government with Nanking as headquarters, and convoked in that city an assembly composed of their special representatives, thirty-four in number. On December 29, 1911, this assembly unanimously elected Sun Yat Sen Provisional President of the Republic of China and he was inaugurated as such on New Year's Day at that city.[2]

On February 12, 1912, the Throne abdicated in favor of a republican form of government, at the same time conferring on Yuan Shih Kai full power to organize such a government.[3] Three days later Yuan was unanimously elected Provisional President by the Nanking Assembly (Yuan had previously been elected to this position by the Peking Assembly)[3] and the resignation of Sun Yat Sen and his Cabinet was accepted by the Assembly to take effect on the inauguration of Yuan, which occurred at Peking on March 10, 1912.[4]

On February 13 the Chief of the Ministry of Foreign Affairs, referring to the present as the time of the formation of a Provisional United Government, officially informed the American Minister at Peking, for transmission to the Department, that the foreign minister accredited to the Government of the United States would temporarily be designated "Provisional Diplomatic Agent."

On March 10, the date of Yuan Shih Kai's inauguration, a Provisional Constitution, previously approved by the Peking Assembly and other governmental

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[1] Printed in For. Rel. 1911, p. 690. [2] For. Rel. 1912, p. 60. [3] Id., p. 66. [4] Id., p. 74.

authorities there, was adopted by the Nanking Assembly providing that within ten months after its promulgation the Provisional President should convene a representative National Assembly at Peking to adopt a permanent Constitution and elect a President, thereby providing for the normal establishment of constitutional government. In the meantime the authority of the State was to be exercised by the Advisory Council, the Provisional President, the Cabinet and the Judiciary. The various ways in which the Chief Executive has been referred to at different times are shown in the accompanying annex.

Early in May, after the formation of a coalition Government under Yuan, the Department telegraphed the Legation at Peking to report promptly as to how far, in the judgment of the Legation, and in the light of the more recent reports from our consuls, the situation in China was responsive to the conditions of recognition of governments under international law and specifically in what respects the Provisional Government still fell short of the requirements.[1] In reply the Department received the following telegram,[1] dated May 7:

The present coalition government is nominally in possession of 20 provinces under military governors, the extent of whose submission to the Central Government is problematical. The north and south are not yet well fused but the only organized resistance is in Mongolia, Kansuh, Turkestan and Tibet. There is acquiescence but not hearty support on the part of the wealthy and educated and the real will of the mass of the people is not known. The National Council can not therefore be considered representative. The Government was established by the political maneuvers of a few, not by general demand of the people, but it is the only government in sight and recognition would strengthen its hold on the country, particularly if given by concerted action of the powers.

In July the Department addressed a circular telegram[2] to all the principal powers having important interests in China, as follows:

Confidential. The powers are in full accord, the American Government believes, in the view that a stable central government is the first desideratum in China and that formal recognition by the powers, when granted, would go far to confirm the stability of the established government.

The Provisional Government appears now to be generally in possession of the administrative machinery, to be maintaining order, and to be exercising its functions with the acquiescence of the people. The situation accordingly seems to resolve itself to the question whether there are any substantial reasons why recognition should longer be withheld.

Would the Government of [name of country] now be disposed to consider whether the present Chinese Government may not be regarded as so far substantially conforming to the accepted standards of international law as to merit formal recognition?

The Governments were unanimous in replying that, in the light of their reports, they did not regard conditions such as to warrant the consideration of the question of the formal recognition of the present Government until he assurance of its permanent stability should be of a more promising nature and until it should itself have been confirmed by the vote of the National Assembly convoked for the purpose and regularly invested with authority to express the will of the people.[3]

During the past few months the situation has not changed in any material respect. Order has been maintained generally throughout the country while financial conditions and international relations have at times appeared critical. The primary elections have been going on throughout the country since early in December, 1912, for the members of the new National Assembly which, by recent Presidential order, is to be convened on April 8.

Since the inauguration of the new régime there have been many changes in the system of government. The effect of these changes has not yet been fully realized and many administrative reforms, though duly promulgated, have not yet come into force. The control of the central Government over the provinces is not clearly defined, with the result that there is constant friction and misunderstanding between Peking and the provinces. The most important controversial points of difference are the system of national taxation, the contracting of foreign loans, railway construction and the appointment of provincial officials. The entire system of central and provincial administration is still in a transition stage and cannot be expected to assume a permanent form until the National Assembly has met and adopted a permanent constitution.

It is understood that the election returns in the provinces point to a decided majority in the permanent assembly for the Kuo Min Tang, or citizens party, which is the party of Sun Yat Sen and Tong Shao Yi and represents a consolidation of several minor parties generally considered to be opposed to Yuan Shih Kai. Yuan's party is the Kung Ho Tang, or republican conservative party, whose leader is Li Yuan Hung, the Vice President of the Republic. It is probable that Yuan will, nevertheless, be elected President since it seems to be ap-

[1] For. Rel. 1912, p. 78. [2] Id., p. 81. [3] Id., pp. 82–86.

preciated by all that serious political trouble might arise if any attempt were made by the citizens' party to elect a President from their own ranks and to oust Yuan. It is doubtful if any party, no matter what its majority, could be successful in an attempt at forcing him to give up office as his position is strengthened by the large military forces at Peking and in northern provinces which are known to be loyal to him. The conflict of authority between the central and provincial governments as well as the uncertainty of Yuan's election are doubtless the causes of the existing tension referred to in the telegram from Peking of March 28.

VARIOUS TITLES OF THE CHIEF EXECUTIVE.

March 9, 1912. Note from Chinese Minister stating that Yuan Shih Kai had taken oath of office and entered upon his duties as *Provisional President of the Republic of China.*[1]

March 14, 1912. Dispatch from the Legation at Peking reporting that Yuan Shih Kai had been inaugurated as *President of the Provisional Government of the Republic of China.* Encloses oath of the *Provisional President* which contains a statement as follows:

"In these endeavors I will continue steadfast and without change, until such time as the National Convention shall convene and elect the *First President.*"

March 20, 1912. Dispatch from Peking enclosing Provisional Constitution of the Republic of China, Article IV of which reads as follows:

"The sovereignty of the Chinese Republic is exercised by the Advisory Council, the *Provisional President,* the Cabinet and the Judiciary."

Throughout the Provisional Constitution the head of the State is referred to as *Provisional President.*

March 4, 1913. Note from Chinese Minister. In transmitting a cablegram of congratulation addressed by Yuan Shih Kai to President Wilson, the Minister referred to the former as *President of the Republic of China.* The cablegram, however is signed "Yuan Shih Kai, *President of China.*"

File No. 893.00/1586.

The Ambassador of Great Britain to the Secretary of State.

BRITISH EMBASSY,
Washington, March 31, 1913.

DEAR MR. SECRETARY: The question of the recognition of the Chinese Republic has been the subject of careful consideration not only, as I am aware, on the part of the United States Government, but also on the part of the European powers chiefly interested.

Taking into consideration the past history of this question, my Government have desired me to express the hope that the present United States Administration will feel the necessity of concerted action and will continue as in the past to exchange views frankly and unreservedly with them on the question.

I am [etc.]

JAMES BRYCE.

File No. 893.00/1588.

Memorandum by the Division of Far Eastern Affairs of the Department of State, March 31, 1913.

The German Ambassador called this afternoon and said that he had received instructions from his Government to remind the Department of the understanding that had been reached, in response to the representations made by the Japanese Government in February, 1912, that

[1] For. Rel. 1912, p. 74.

the powers would act in concert in the matter of the recognition of the Republic of China.[1] I replied that the matter was receiving the most careful consideration of the Secretary; that, of course, I was not in position to anticipate what his decision would be, but for the sake of accuracy I reminded the Ambassador that our agreement to the Japanese proposal at that time had been qualified by the reservation "so long as this course shall entail no undue delay" and that, therefore, the United States could not be held to be explicitly bound in view of the fact that over a year had elapsed since that time. I stated that the question now was only one of comity and that I was confident the Secretary had this point in mind in his consideration of the matter.

The Ambassador repeated that his instructions were not to suggest that China should or should not be recognized at this time, but only to remind the Department of the agreement as to concerted action.

File No. 893.00/1628.

The American Chargé d'Affaires to the Secretary of State.

[Extract.]

No. 796.] AMERICAN LEGATION,
Peking, April 1, 1913.

SIR: I have the honor to report that there has been considerable agitation in political circles for ten days past, due for the most part to the recent assassination of Sung Chiao-jen, who was Minister of Commerce and Industries in the first republican cabinet in Peking—that organized by Tong Shao-yi. When Tong resigned, Sung followed his chief into retirement, but has been very active in promoting the interests of the Kuo Ming Tang or Nationalist Party, of which he was the elected leader. He was credited with the authorship of the policy, advocated by that party, which demanded a responsible cabinet composed of members of the party or parties controlling the National Assembly. He had endeavored to have this policy adopted by the Provisional Government. President Yuan, it is alleged by Sung's friends, had repeatedly declared that he would not be President with Sung for Premier. The Kuo Ming Tang is now busily engaged in circulating certain reports of alleged occurrences, which, as circumstantial evidence, tend to fasten the crime of Sung's assassination upon the President and his Cabinet. The whole country is excited by these reports and the prophets of evil are adding to the unrest by their predictions of impending trouble.

Mr. Sung had been attending a conference of his party at Shanghai and on the evening of the 20th of March he started for Peking in company with other members of the forthcoming National Assembly. While waiting to take the train at the Shanghai station, he was shot by one Wu Fu-ming, who easily escaped in the excitement occasioned by the crime and took refuge in the French Concession. * * *

On the 23rd instant, the assassin was arrested in the French Concession and confessed his guilt, stating that he had been hired to commit the crime by a Mr. Ying Kuei-hsing. * * *

Wu Fu-ming and Ying Kuei-hsing last week had preliminary hearings in Shanghai; the former in the French Concession, the latter

[1] For. Rel. 1912, pp. 63, 68–69.

in the International Settlement. Wu confessed, as stated above; Ying was remanded for one week and was to have been brought up for trial yesterday.

The Diplomatic Representatives met yesterday afternoon to consider the request of the Chinese Government that the accused persons be handed over to the Chinese authorities for trial. After a careful consideration of the provisions of the treaties and precedents bearing upon the case, the Dean was instructed to reply as follows:

The Dean has the honor to acknowledge the receipt of the Wai Chiao Pu's letter of the 27th March with reference to the murder of Sung Chiao-jen, in which it was requested that the murderer, Wu Fu-ming, and others, together with Ying Kuei-hsing and all the witnesses, should be remitted to the Chinese authorities on the ground that the crime was committed on Chinese territory and that the guilty parties and the victim were all Chinese subjects.

The Dean is authorized by his Colleagues to state, in reply, that Wu Fu-ming is in the hands of the authorities of the French Concession at Shanghai and that his case should be treated separately with his excellency the French Minister. As to Ying Kuei-hsing, who is in the hands of the authorities of the International Settlement, the Dean is instructed to say that the Diplomatic Body have no objection to his being handed over to the Chinese authorities, provided that a prima facie case of his guilt is established to the satisfaction of the Mixed Court of the International Settlement.

* * * It seems incredible that the President could have had any knowledge of the plot to assassinate Sung, since he could not have deceived himself into believing that such an attack upon the leader of the opposition would not at once place the Government under suspicion and weaken his hold upon the country. He has proved himself an astute politician in the past and could undoubtedly have compassed Sung's defeat without resorting to such measures. It is not impossible, however, that some overzealous follower of Yuan may have thought he was aiding the President's cause by planning such a crime. * * *

But it is not at all necessary to implicate any of Yuan's followers in order to account for the murder of Sung. * * * The Nationalist Party is a conglomeration of a number of small parties. The leaders of these small parties are not free from jealousy, one of another, and it is reasonably sure that they are not agreed upon the policies advocated by Sung. Jealousy aroused by his ascendancy in the counsels of the party would account for the attack upon him and the resort to such a crime is not at all surprising when one reflects that the revolutionists for years past have preached and practiced assassination. They must expect to reap what they sow.

The "Republican Advocate" of Shanghai threatens that Sung's death will be avenged by a reign of terror more frightful than that of the French Revolution. But such talk is easy under the protection of the Foreign Settlement of Shanghai which has always been a city of refuge or, more properly speaking, a cave of Adullam for conspirators against the Government, whether it be Manchu Monarchy, or Chinese Republic. But, while there may be no reign of terror at hand, there is undoubtedly too much talk on the one side of bomb-throwing and assassination, and too much disposition on the other side to resort to summary execution to get rid of dangerous opponents: and it is quite true that leaders of both sides are in constant dread of attack.

The Minister of Foreign Affairs receives threatening letters every day and the President has left his residence but two or three times since his inauguration and has had the streets heavily guarded when he went out. * * *

The really serious feature of the situation is that the peace of the whole country seems to depend upon this one man. Even the Nationalists seem to have no one to present as a candidate for the presidency. * * * With such a lack of men of national calibre, what would happen to the country if Yuan were to be taken away? I can anticipate nothing but chaos. If foreign intervention could be prevented, there would undoubtedly come in due time the strong man who could and would restore peace and order, but time would be indispensable to the accomplishment of such a result.

The only hope for the preservation of order, it seems to me, is in the continuance of Yuan Shih-K'ai in power. If he should be spared, there is a possibility that the Republic may last and that the establishment of representative government may in time bring into prominence men of large mould, real statesmen, who can command the allegiance of the nation.

The recognition of the Republic by the foreign powers would undoubtedly do much to strengthen Yuan in the eyes of the people and in the estimation of the forthcoming National Assembly, and thus tend to quiet the prevailing unrest and the ever-present fear of disorder. There is no other government contending with his for recognition and he has no rival for the presidency worthy of mention. Therefore, in my telegram of March 28th, I have recommended immediate recognition by the American Government. It is not that I believe Yuan to be an ideal president or a brilliant statesman, but simply that, in my opinion, the only choice lies between Yuan and chaos, and that the sooner we recognize his Government, the better it will be for China and for American interests in China.

I have [etc.]

E. T. WILLIAMS.

File No. 893.00/1596a.

Aide Mémoire handed by the Secretary of State to the representatives in Washington of countries having treaty relations with China, as follows: Austria-Hungary, Belgium, Brazil, Cuba, Denmark, France, Germany, Great Britain, Italy, Japan, Mexico, Netherlands, Norway (mailed), Peru, Portugal, Russia, Spain and Sweden.[1]

The President wishes me to announce to you, and through you to your Government, that it is his purpose to recognize the Government of China on the 8th of April upon the meeting of its Constituent Assembly. He wishes me to say that he very earnestly desires and invites the cooperation of your Government and its action to the same effect at the same time.

DEPARTMENT OF STATE,
April 2, 1913.

[1] Sent also to the Chinese Minister for his information, and to the American Embassies at Paris, London, Berlin, St. Petersburg, Rome, Vienna, and Tokyo, and the Legation at Peking.

NOTE.—Brazil, Mexico, Peru and Cuba promptly replied to the Department's aide mémoire of April 2, assenting thereto and announcing issuance of instructions to their diplomatic representatives to recognize the Republic of China in cooperation with the American Minister.

File No. 893.00/1687½.

The Japanese Embassy to the Department of State.

[Not a translation.]

IMPERIAL JAPANESE EMBASSY, WASHINGTON.

The Japanese Ambassador, having reported to his Government of the aide mémoire handed to him by the Honorable the Secretary of State on April 2, in announcement of the purpose of the President on the subject of recognition to be accorded to the Government of China, has been instructed to express to the American Administration the cordial thanks of the Japanese Government for the important communication. The Japanese Government have always been no less anxious to find an early opportunity justifying such recognition. Having, however, in view the actual situation in China, and more especially the incident connected with the assassination of Sung Chiao-Jen in which the Peking authorities have been charged with being an accomplice, and which might eventually develop into serious complications between the North and the South, threatening the order and security of the country, the Japanese Government entertain a grave apprehension that the recognition, at this moment, of the Government in which Mr. Yuan Shi-Kai is provisionally the chief magistrate, would practically amount to an interference in favor of Mr. Yuan against the Southern Faction headed by Mr. Sun Yat-Sen and Mr. Huang Hsing, and would prove prejudicial, not only to the foreign Powers, but also to the true interest of China. Accordingly, the Japanese Government feel it due to frankness to confess their inability, much to their regret, to co-operate in the prompt recognition of the new Government. They venture to hope that the American Government may find it possible and advisable to watch the further development of the situation in China, and to defer the action now proposed until definite establishment of repose and tranquility shall have been assured.

April 4, 1913.

File No. 893.00/1598a.

The Secretary of State to the American Chargé d'Affaires.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, April 6, 1913—11 p. m.

If there should be more than the ordinary delays in organizing for business when the National Assembly shall have convened you will report and receive further instructions. When the Assembly shall have convened with a quorum and is organized for business by the

election of its officers, you will communicate the following message to the President of China as coming from the President of the United States of America.

His Excellency YUAN SHIH KAI,
President of China:

The Government and people of the United States of America, having abundantly testified their sympathy with the people of China upon their assumption of the attributes and powers of self-government, deem it opportune at this time, when the representative National Assembly has met to discharge the high duty of setting the seal of full accomplishment upon the aspirations of the Chinese people, that I extend, in the name of my Government and of my countrymen, a greeting of welcome to the new China thus entering into the family of nations. In taking this step I entertain the confident hope and expectation that in perfecting a republican form of government the Chinese nation will attain to the highest degree of development and well being, and that under the new rule all the established obligations of China which passed to the Provisional Government will in turn pass to and be observed by the Government established by the Assembly.

You will inform consuls and commander in chief of Asiatic Squadron, and report execution of this instruction.

BRYAN.

NOTE.—The British Ambassador on April 7 replied to the Department's aide mémoire of April 2, stating that he was instructed "to inform you that His Majesty's Government feel obliged to adhere to the views which they have always held as to the conditions which should precede the recognition of that Government. These conditions, which are already known to the United States Government, are as follows: 1. That the powers should act in concert. 2. That formal confirmation should be secured of the rights, privileges, and immunities enjoyed by British subjects as the result of treaties and established customary usage." The Ambassador added his Government's suggestion to consider whether the proposed recognition by the United States "might not with advantage be deferred until a fuller assurance of the stability of the Government and of the maintenance of tranquility in the country has been obtained. Such a course might well prove to be in the interests of China herself. In any case His Majesty's Government could not take any action of the kind indicated by you without a full exchange of views with the powers having missions at Peking, and it was practically impossible that such an interchange of communications could be effected within the period suggested by your Government." (File No. 893.00/1667.)

The Minister of Denmark wrote to the Secretary of State on April 8: "The Danish Minister of Foreign Affairs cables me to-day that much to his regret he is for the present unable to join in the recognition as proposed by the President of the United States." (File No. 893.00/1603.)

The Chargé d'Affaires of Austria-Hungary on April 8 replied: "I have now been instructed by my Government to thank your excellency for your communication, but to say that we can not see in the opening of the Chinese Parliament a sufficient motive for the recognition of the Government of China and therefore must reserve us the liberty of our decision." (File No. 893.00/1606.)

The Foreign Office of Italy, on April 8, referred the American Ambassador to its decision as stated August 5, 1912 (see For. Rel. 1912,

p. 85), adding that "conditions at that time prevailing do not seem to have sufficiently improved to strengthen the new Government in a definite way. The Italian Government therefore considers it still too early and premature to take a view different from that then expressed." (File No. 893.00/1605.)

The Ambassador of France on April 9 replied that he had been instructed to say that while sincerely appreciating the motives of this Government in favoring the simultaneous adhesion of France to its plan for recognition, the French Government, "with all its desire to manifest its good will to the Chinese nation, holds for its part that it would be premature to recognize an organization which, leaving aside questions of stability that must nevertheless be taken into consideration, has not yet been sanctioned by those concerned therein. Indeed, there is before us but a provisional government which neither the people nor its representatives have yet confirmed. It is with a view to such confirmation that the Constituent Assembly was called and the formation in China of a definitive government hangs on the result of its labors. It therefore seems to my Government that the de facto relations, which are besides perfectly cordial and courteous, at present maintained by it with the Chinese Republic are, for the time being, best suited to the condition in which the new organization is still placed." (File No. 893.00/1613.)

File No. 893.032/8 and 9

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Peking, April 10, 1913.

A declaration to the world was read at the opening ceremony when the two Houses of the National Assembly met in joint session, as follows:

[Translation.]

On this 8th day of the 4th month in the 2d year of the Republic of China, the date fixed for the first opening of our permanent National Assembly, the members of the Senate and House of Representatives, having met in these halls to celebrate the event, now make this declaration of their sentiments.

The will of Heaven is manifested through the will of the people. That the hundreds of millions of the people possess the authority of the State is not proclaimed now for the first time. The Monarchy, so long corrupt, proved unworthy of the grave responsibilities intrusted to it by the will of the people, but with the introduction of popular government the representatives of the people must share the likes and dislikes of the people. They are to give expression to the desires and voice the will of the people; they hold the reins in behalf of the nation to govern with severity or leniency, with parsimony or extravagance; they become the pivot upon which the prosperity of the State is made to turn. For the success or failure, safety or danger, adversity or good fortune, theirs is the merit or the blame.

Can we be otherwise than anxious? Yet through great tribulation the spring comes to prosperity, and our very bad management and anxieties are a means to happiness. Now, therefore, we unite to form this Assembly and presume to publish our aspirations: May ours be a just Government! May our five races lay aside their prejudices! May rain and sunshine bring bounteous harvest and cause the husbandman to rejoice! May the scholar be happy in his home and the merchant conduct his trade in peace! May no duty of Government be unfulfilled and no hidden wound go unredressed! Thus may the glory be spread

abroad and these our words be echoed far and wide, that those in distant lands who hear may rejoice, our neighbors on every side give us praise, and may the new life of the old nation be lasting and unending! Who of us can dare to be neglectful of his duties!

WILLIAMS.

NOTE.—The Minister of the Netherlands on April 11 conveyed to the Department his instructions to say that his Government would recognize the Chinese Government "as soon as the Chinese President is definitely elected." (File No. 893.00/1615.)

File No. 893.00/1646.

The American Chargé d'Affaires to the Secretary of State.

[Extract.]

No. 807.] AMERICAN LEGATION,
Peking, April 11, 1913.

SIR: I have the honor to report upon the political situation in China as follows:

The members of the Senate and House of Representatives recently elected and constituting the first National Assembly of China met in joint session on the morning of the 8th of April to celebrate by appropriate ceremonies this inauguration of representative government in China.

The ceremonies were held in the hall of the House of Representatives, one of the buildings of the former School of Finance, which had been altered and refitted for the purpose. * * * The city was gaily decorated with flags and at the beginning of the ceremonies 101 guns were fired in honor of the event. * * *

When the hour arrived for the beginning of the exercises seven Ministers of the Cabinet filed in and took seats on the dais, and the chairman of the committee in charge of the program, who acted as master of ceremonies, called the Assembly to order. There were 682 members in attendance—that is to say, 179 Senators out of a total of 274 and 503 representatives out of a total of 596.

By agreement of the political parties, at a meeting held on the 6th of April, it had been decided that the oldest man in the Assembly should take the chair. The honor thus came to Mr. Yang Ch'ung, a Senator from Yunnan. He called upon the Secretary of the Advisory Council (Provisional Assembly), Mr. Lin Ch'ang-min, to read an address which had been drawn up by a committee appointed for that purpose at the interparty caucus on the 6th instant. A translation of this address was telegraphed to the Department on the 10th of April.[1] The address is written in classical style and is full of literary allusions which can be recognized only by the initiated, since there is no acknowledgment and no indication of quotation. In other words, the document is a mosaic of phrases culled from classical writings every one of which to the Chinese scholar is full of meaning because he is able to recall the context. For instance, the opening sentence "The will of Heaven is manifested through the will of the people" in the original consists of eight words only and is a condensation of

[1] See ante.

a passage in the Book of Mencius, which is itself a quotation from the Book of History, the oldest extant writing of the Chinese, a passage which reads: "Heaven sees as the people see; Heaven hears as the people hear." It has been impossible, therefore, in the translation made of the address, to convey to the non-Chinese reader the wealth of meaning which it contains.

After the reading of the address the President's representative, Mr. Liang, was called upon to carry to the dais the message of which he was the bearer and lay it upon the Speaker's table.

The chairman then asked the Cabinet Ministers to descend to the floor of the House and, led by the master of ceremonies, the whole Assembly bowed in unison three times to the five-colored flag, the emblem of the Republic, draped behind the Speaker's chair.

The exercises were interspersed with music furnished by a military band in the garden, and the whole ceremony was dignified and impressive.

The members of the Assembly were, with a very few exceptions, dressed in western costume—black frock coats and silk hats—in striking contrast to the mass of brilliant colors which always characterized a Chinese crowd in the old days.

Had it not been for the reported intention of the American Government to recognize the Chinese Republic on the 8th of April, it is doubtful whether the Assembly would have opened on that day. The knowledge of such intention was obtained from the press telegrams which appeared in the papers here. The Legations here were promptly informed by their respective Governments of the contents of the aide mémoire handed to their representatives in Washington by the Department. This report speedily became the topic of the hour. * * *

At a dinner given by the Cabinet to members of the Assembly, on the night of the 8th of April, the President's secretary, Mr. Liang, made a speech in which he referred to the prospect of recognition by the United States and expressed the hope that nothing might occur to unduly delay it. To this speech, Mr. Wu Ching-lien, Speaker of the Advisory Council, replied, saying that the intention of the American Government to recognize the Republic was fully appreciated by the members of the Assembly and that nothing was going to be done to hinder it, but that he desired to point out that the United States was simply waiting for the organization of the Assembly, and that this fact was plain proof that the United States did not propose to recognize a one-man government, but a government by the chosen representatives of the people. * * *

On the night of the 9th instant the Legation was orally informed that the Brazilian Minister in Japan had communicated to the Chinese Minister there the formal recognition by his Government of the Republic of China. This information was officially communicated to the Legation on the 10th instant. In honor of the event, April 12 has been declared a public holiday, the city is to be decorated with Brazilian flags, the public schools are to be closed, and a general celebration is to be had. The Legation was orally informed last evening that Peru also had recognized the Republic, the information having been communicated by cable from Lima. I can not but feel

that this action of Brazil and Peru is probably based upon a misunderstanding of the situation here. Neither Government has a representative in Peking, and having learned of the intention of the American Government to recognize the Republic on April 8, upon the meeting of the National Assembly, and having learned of the formal opening of the Assembly, they have probably concluded that recognition by the American Government has already taken place and have thought that they were following our lead in according the recognition given. The Mexican Chargé d'Affaires has received instructions to act with this Legation and has fully explained to his Government the cause of the delay in giving recognition. The Ministers of Italy, the Netherlands, and Belgium have all expressed to me their desire to have the Republic recognized at an early date by their respective Governments, but have recommended to their Foreign Offices to withhold such recognition until the election of a President.

Since the ceremonial opening of the Assembly there has been no session of either House, but numerous conferences of the political parties have been held. * * *

I have [etc.]

E. T. WILLIAMS.

NOTE.—The Spanish Minister on April 17 at a conference with the Counselor of the Department of State orally conveyed the reply of his Government: "that inasmuch as Spain has no political interests in China, the recognition by the Spanish Government of the new Republic of China will follow the recognition of that Government by the majority of the other Powers." (File No. 893.00/1663½.)

File No. 893.00/1634.

The Austro-Hungarian Embassy to the Department of State.

IMPERIAL AND ROYAL AUSTRO-HUNGARIAN EMBASSY,
WASHINGTON. [Undated.]

AIDE MÉMOIRE.

The Imperial Japanese Embassy in Vienna has communicated to the Foreign Office a circular telegram of its Government according to which said Government considers as opportune to put now its proposal of February 1912 concerning the recognition of the Chinese Republic which had met with general consent into a concrete form.

The Government suggest that the powers should recognize the Chinese Republic as far as possible at the same time when in the course of the present session of Parliament lasting tranquility in the country should appear secured and the fulfillment of the international obligations to China to be guaranteed also by the new Government. The choice of the suitable moment should be left to the diplomatic representatives in Peking and the recognition effectuated through the Powers following common proposition of their representatives by means of identical notes drafted by said representatives and delivered to the Chinese Government.

I request your excellency to inform yourself how the Japanese proposal has been received by the American Government and to add that

Count Berchtold would be disposed to give to the Imperial and Royal Minister at Peking the necessary instructions in the sense of the Japanese proposal if the other cabinets were willing to do the same.

File No. 893.00/1634.

The Department of State to the Austro-Hungarian Embassy.

AIDE MÉMOIRE.

By an undated aide mémoire from the Imperial and Royal Austro-Hungarian Embassy at Washington the Department of State learns that the Imperial Japanese Embassy in Vienna has communicated to the Austro-Hungarian Foreign Office a circular telegram from the Imperial Japanese Government, according to which that Government considers it opportune now to put its proposal of February, 1912, concerning the recognition of the Chinese Republic into concrete form, and that Count Berchtold would be disposed to give the Imperial and Royal Austro-Hungarian Minister at Peking the necessary instructions in the sense of the Japanese proposal, if the other Cabinets were willing to do likewise.

From the aide mémoire it appears that the proposal of the Imperial Japanese Government is that the powers should recognize the Chinese Republic as far as possible at the same time, when in the course of the present session of Parliament lasting tranquility in the country should appear secured and the fulfillment of the international obligations of China should be guaranteed by the new Government; that choice of the suitable moment should be left to the diplomatic representatives in Peking, and that the recognition should be effected by means of identical notes drafted by said representatives and delivered to the Chinese Government.

With respect to the wish of the Imperial and Royal Austro-Hungarian Government to be informed of the attitude of the Government of the United States towards the Japanese proposal, the Imperial and Royal Austro-Hungarian Embassy is informed that the President has directed the American representative at Peking to present the President's letter of recognition as soon as the Chinese Constituent Assembly is organized by the election of officers and that the President has expressed the desire that other nations join in recognizing the Chinese Republic at the same time.

DEPARTMENT OF STATE,
Washington, April 26, 1913.

File No. 893.00/1641.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Peking, May 2, 1913—5 p. m.

The President's message of recognition[1] was delivered today to President Yuan. The Minister for Foreign Affairs has already telegraphed to Washington President Yuan's expression of gratification.

WILLIAMS.

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[1] See telegram of April 6, ante.

File No. 893.00/1694.

The President of China to the President of the United States.

[Telegram.]

PEKING, MAY 2, 1913.

In the name of the Republic of China I thank you most heartily for the message of recognition which you have sent to me through your honored representative in this capital. The sentiments of amity and good will which it bespeaks and the expressions of greeting and welcome which it conveys at once testify to the American spirit of mutual helpfulness and adds another brilliant page to the history of 70 years of uninterrupted friendly intercourse between China and the United States. Though unfamiliar with the republican form of government the Chinese people are yet fully convinced of the soundness of the principle which underlies it and which is so luminously represented by your glorious Commonwealth. The sole aim of the Government which they have established, therefore, is and will be to preserve this form of government and to perfect its workings to the end that they may enjoy its unalloyed blessings, prosperity, and happiness within, through union of law and liberty and peace and friendship without, through the faithful execution of all established obligations.

YUAN SHIH-KAI,
President of the Republic of China.

File No. 893.00/1681.

The American Chargé d'Affaires to the Secretary of State.

[Extract.]

No. 841.] AMERICAN LEGATION,
Peking, May 6, 1913.

SIR: In compliance with your telegraphic instruction of April 6, 11 p. m., I have the honor to report that the message of President Wilson, according recognition to the Chinese Republic, was delivered to President Yuan Shih-kai on Friday, May 2, at 11 o'clock a. m.

The conditions precedent to recognition laid down in your instruction, referred to above, were that the National Assembly should have convened with a quorum and organized for business by the election of officers. These conditions were not fulfilled until May 1. The Senate completed its organization on April 25; the House did not elect its Speaker until April 30. As soon as this was done, I intimated to the Foreign Office that the Legation was instructed to deliver a message from the President of the United States of America to the President of China when officially informed of the organization of the two Houses of the Assembly. The information was communicated to the Legation the same evening, and I at once wrote to the Minister for Foreign Affairs asking for the designation of an hour when I might carry out my instructions. He replied at once, fixing

Friday, May 2, at 11 a. m. Copies of the notes mentioned are sent inclosed.[1]

On the 1st of May the House completed its organization by the election of a Vice Speaker.

I was prepared to deliver the message on May 1, since the election of a Vice Speaker could not be considered essential to the working of the House, but the President of the Foreign Office desired to mark the recognition of the Republic by the United States with signal honors and took time to prepare a very elaborate program.

At 10 o'clock a. m. on the 2d of May a state carriage was sent to the Legation with a guard of honor. Accompanied by the staff of the Legation I was driven to the gate of the West Park in which the President's Palace is located. Police and soldiers were stationed at short intervals along the route and the houses were decorated with flags.

After entering the park we were taken across the lake in the old imperial barges and met at the entrance to the President's Palace by the master of ceremonies, Mr. Sun Pao-ch'i; by Admiral Ts'ai T'ing-kan, Admiral Ch'eng, and General Yin Ch'ang, chief of the general staff. A guard in the outer court received us with military honors and the President's bodyguard of lancers showed similar honors in the inner court.

The Minister for Foreign Affairs; Mr. Tuan Chih Kuei, a representative of the Premier, who was ill; and other officers were waiting in the principal hall of the palace. The President having been announced, I was conducted to an inner reception room and after a bow, which the President acknowledged, I read the message of President Wilson and handed it to President Yuan, who gave it to the Minister for Foreign Affairs. I then made a brief address, to which the President responded very cordially. I inclose copies of these addresses. Mr. Peck, the assistant Chinese secretary, read the Chinese text of President Wilson's message and of my own remarks, and President Yuan's secretary, Mr. Wellington Ku, a graduate of Columbia University, read the English text of the President's reply. The members of the Legation were all introduced to the President and, after brief conversation, he withdraw. Mr. Lou Tseng-tsiang, the Minister for Foreign Affairs, informed me that the reply of President Yuan to President Wilson had just been telegraphed to Washington and would be presented there.

We were then shown through the grounds and buildings of the West Park and upon our return to the palace President Yuan appeared again and invited us to lunch with him. A military band supplied music during the meal. At its conclusion, a photographer appeared and took several pictures of the company. We then took leave and were escorted back to the Legation. * * *

A simpler procedure would have been more to my taste, but the Chinese are fond of ceremony and display, and in this instance it was perhaps just as well to give prominence to the event because of the rather critical condition of affairs.

The Kuo Min Tang, or Nationalist Party, was attacking the Government very bitterly because of its signature of the reorganization loan with the quintuple group without having first obtained the con-

[1] Not printed.

sent of the National Assembly. Telegrams had been sent to all the Provinces and many strong protests had been received by the Government. It was known, too, that the revolutionary leaders—Dr. Sun Yat-sen, General Huang Hsing and General Ch'en Chi-mei—at Shanghai were plotting a revolution and had attempted to borrow money and purchase arms for this purpose.

To some critics the United States appeared to be recognizing a Government which was about to be overthrown, but the very fact that the American Government carried out its program of recognition without regard to the plottings of the malcontents served to discredit the latter and had an excellent steadying effect throughout the country, increased the respect of the people for the Republic, encouraged the orderly and law-abiding, and tended to promote a better feeling by withdrawing attention from party politics. * * *

On Saturday, May 3, both Houses of the National Assembly passed resolutions thanking the American Government for its action. These resolutions will be communicated to you through the Chinese Minister in Washington.

In accordance with the instructions contained in your telegram of April 6, I informed all the consuls and the commander in chief of the Asiatic Fleet of my intention to deliver the message of recognition and recommended to them a call at the same hour upon the local authorities.

The consuls-general at Shanghai, Hankow, and Canton have already reported the carrying out of their instructions. Great enthusiasm was shown in Hankow and the neighboring city of Wuchang, where criers with gongs were sent about the streets announcing the recognition of the Republic by the United States of America. At Shanghai, too, there was general rejoicing and a celebration of the occasion by appropriate decoration. The Admiral, however, waited until informed that recognition had taken place and exchanged calls with the local officials on Saturday, May 3.

A Chinese-American association here in Peking has prepared an elaborate program for the celebration of the event on the 8th instant and similar celebrations are to be held throughout the country. All of this will have a good effect upon the relations between the two countries and will, it is hoped, do much to consolidate and strengthen the Republic of China.

I have [etc.]

E. T. Williams.

[Inclosure 1.]

Introductory remarks by the American Chargé d'Affaires.

Mr. President: I am charged by the Secretary of State with the duty of communicating to Your Excellency a message from the President of the United States of America. I esteem it a high honor and a great privilege to be permitted to fulfill this duty.

[Reading of the message of the President of the United States.]

Concluding remarks by the American Chargé d'Affaires.

Mr. President: Having communicated to Your Excellency the message from the President of the United States giving formal recognition of the Republic, I desire for myself and in behalf of my fellow countrymen resident in China to

express the satisfaction which we all feel in the action taken by the American Government.

As citizens of a sister republic, we can not be indifferent to anything which affects the success of republican government in China. We shall watch your progress with sympathetic interest, trusting that the hopes which animated the martyrs of the revolution may find their full fruition in the free institutions now being established. We believe in "a government of the people, by the people, and for the people."

Out of the mists of high antiquity echo the words of the great declaration: "Heaven sees as the people see; Heaven hears as the people hear."

We rejoice with you to-day in the confident belief that these ancient words have found fulfillment anew; that this new Government, "broad based upon the people's will," by the establishment of lasting peace and equal justice, will minister to the highest happiness of the people of China and merit the blessing of Heaven.

[Inclosure 2.]

The response of the President.

MR. CHARGÉ D' AFFAIRES: I have listened with the most profound satisfaction to the welcome message of the President of the United States which you have just read, and the assurances of sympathy which you have so eloquently extended to me. On behalf of the Government and people of China I thank you, and also beg you to transmit my thanks to the President.

Though young in years, the Republic of China is founded on principles of liberty and freedom which are already deep graven on the hearts of the Chinese people. We believe that through the permanent establishment of this form of government we have found the best means of insuring to us, what you have been enjoying through the same means for 140 years, the "unalienable rights of life, liberty and the pursuit of happiness."

It is equally gratifying and significant that the political ideas and ideals of two great peoples, though separated by a broad ocean and living under different skies, are of one and the same kind. The declaration in our ancient classics and the words of one of your greatest Presidents, both of which you have just recited, show that the Chinese and the Americans are always united in their love of a government based on the people's will. I am confident in the hope that this common faith in the soundness of republican government will serve to bring China and the United States into a yet closer contact than they are now and to further strengthen the friendly relations which have invariably existed between them.

File No. 893.00/1651.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Peking, May 9, 1913—6 p. m.

Both Houses have passed resolutions expressing appreciation, to be communicated to you through the Chinese Minister at Washington.

In celebration of the recognition of the Republic by the United States, deputations from commercial and other organizations and pupils and teachers from the principal schools paraded with American and Chinese flags and called at the Legation yesterday. They requested me to convey to the Government and people of the United States their sincere gratitude for its friendly action.

WILLIAMS.

File No. 893.00/1664.

The Chinese Minister to the Secretary of State.

CHINESE LEGATION,
Washington, May 12, 1913.

SIR: I have the honor to inform you that the Chinese National Assembly, by the separate action in special session of the Tsan-Yi-Yuan (Senate) and of the Chung-Yi-Yuan (House), have unanimously adopted a vote of thanks to the Government of the United States for its recognition of the Republic of China.

In transmitting to you this action of the National Assembly, I improve the opportunity [etc.]

CHANG YIN TANG.

File No. 893.00/1698.

The American Chargé d'Affaires to the Secretary of State.

No. 850.] AMERICAN LEGATION,
Peking, May 13, 1913.

SIR: I have the honor to enclose copies, in translation, of two notes from the Minister for Foreign Affairs informing the Legation of the resolutions passed by the Senate and the House of Representatives expressing appreciation of the action of the Government of the United States in recognizing the Government of the Republic of China; also copies of the Legation's replies to the above notes. I am informed that these resolutions were communicated to the Department through the Chinese Minister at Washington, as reported in my telegram of May 9, 6.00 p. m., and my despatch No. 841 of the 6th instant.

I have [etc.]

E. T. WILLIAMS.

[Inclosure 1.]

The Chinese Minister for Foreign Affairs to the American Chargé d'Affaires.

No 345.] FOREIGN OFFICE.
Peking, May 10, 1913.

SIR: I have the honor to state that on May 6, 1913, I received a despatch from the Cabinet informing me that it was in receipt of an executive order from the President transmitting a communication from the Senate, which was to the following effect:

Dating from the opening of the National Assembly different friendly nations have recognized the Republic of China in rapid succession. The Senate has to-day convened in special session and has unanimously passed a resolution expressive of its gratitude for these acts of recognition. The President is now requested to inform telegraphically those nations that have extended recognition, of the resolution passed by the Senate.

The Cabinet requested that I take appropriate action.

I have the honor, therefore, to request that you will transmit to your Government the information herein contained.

LU TSENG TSIANG.

[Inclosure 2.]

The Chinese Minister for Foreign Affairs to the American Chargé d'Affaires.

No. 346.] FOREIGN OFFICE,
Peking, May 13, 1913.

SIR: I have the honor to state that on May 10, 1913, I received a despatch from the Cabinet informing me that it was in receipt of an executive order from the President transmitting a communication from the House of Representatives, to the following effect:

The United States of America having formally recognized the Republic of China the House of Representatives, on behalf of the people of the entire nation, expresses its grateful appreciation, and requests that a telegram to this effect be despatched to the American Government.

I have the honor, Mr. Chargé d'Affaires, to inform you of this action on the part of the House of Representatives and to request that you inform the American Government thereof.

LU TSENG TSIANG.

[Inclosure 3.]

The American Chargé d'Affaires to the Chinese Minister for Foreign Affairs.

No. 180.] AMERICAN LEGATION,
Peking, May 13, 1913.

EXCELLENCY: I have the honor to acknowledge the receipt of your excellency's note of May 10, 1913, transmitting to me the text of a communication addressed by the Senate to the President, wherein it was stated that the Senate had passed a resolution expressive of its gratitude for the recognition of the Republic of China by the United States of America and wherein your excellency requested that I communicate this information to my Government.

In expressing my own gratification at the action taken by the Senate in passing this resolution I have the honor to state that I have already despatched a copy of your excellency's note to my Government.

I avail [etc.]

E. T. WILLIAMS.

[Inclosure 4.]

The American Chargé d'Affaires to the Chinese Minister for Foreign Affairs.

No. 181.] AMERICAN LEGATION,
Peking, May 13, 1913.

EXCELLENCY: I have the honor to acknowledge the receipt of your excellency's note of this date informing me that the House of Representatives has expressed, on behalf of the people of the entire nation, its grateful appreciation of the action of the United States in extending formal recognition to the Republic of China, and requesting that I inform my Government of this fact.

I have the honor to express to your excellency the pleasure which the receipt of this information has afforded me, and to state that I have despatched a copy of your excellency's note to my Government.

I avail [etc.]

E. T. WILLIAMS.

File No. 893.00/1700.

The American Chargé d'Affaires to the Secretary of State.

[Extract.]

No. 858.] AMERICAN LEGATION,
Peking, May 16, 1913.

SIR: Referring to my despatch No. 841 of May 6, 1913, in which mention was made of the attempts of Dr. Sun Yat-sen, General

Huang Hsing and General Ch'en Chi-mei to raise a rebellion against the present Peking Government, I have the honor to report further upon the political situation in China.

There can be no doubt whatever as to the truthfulness of the charges made against the three revolutionary leaders just mentioned.

The manifesto of Dr. Sun Yat-sen against the loan, issued on May 6th, of which a copy is enclosed, is itself evidence of his feeling towards Yuan Shih-k'ai and of his belief at that time that civil war was impending. But the only people who were disposed to make war were those dissatisfied with the government of Yuan; that is to say, the partisans of Dr. Sun. * * *

The common people take no interest in politics and the mercantile community is decidedly opposed to any further disturbance of the peace. The chambers of commerce in various cities sent telegrams to Peking protesting against the plottings of these promoters of a second revolution. * * * It was only after Dr. Sun and General Huang learned that the people were not with them, that money would not be forthcoming for the support of the movement, that they declared they had no thought of creating a revolution. * * *

The movement for a separation of the southern provinces from the Republic is not altogether new. In fact the union of the Nanking Government of 1912 with that of Yuan Shih-k'ai or rather its absorption by the government of Yuan was never to the liking of certain revolutionary leaders. Some saw the perquisites of office slipping from their grasp; others of a higher character distrusted the conservative leaders of the north and did not believe that political reforms were to be expected under such leadership. They have been particularly displeased by the appointment to high office of so many old-fashioned mandarins of the Manchu régime. The foreign-educated Chinese of the south have seen with chagrin that the Government is being carried on under the Republic in very much the same way and to some extent by the very same men as under the Monarchy. Even before the Sung Chiao-jen murder occurred there was serious talk of an attempt to organize another government at Nanking. The Kuo Min Tang, or Nationalist Party, which is opposing Yuan, called a meeting of its leaders at Shanghai before the meeting of the National Assembly at Peking. Predictions were freely made that the representatives of the south would not come to Peking and that a division of the country would be made. Happily, wiser councils prevailed. But the murder of Sung and the signing of the Quintuple Loan gave the discontented further opportunities for agitation of which they were not slow to avail themselves.

For two weeks past the situation has been critical. The danger is not entirely over, but matters are slowly improving. * * * So long as the mercantile classes hold to their attitude of opposition to civil war there can be no successful attempt to overthrow the present Government. This is well known to Dr. Sun and, taken with the announcement of the Municipal Council of the International Settlement at Shanghai that agitators would not be allowed to use the Settlement for the publication of slanderous attacks upon the Government, may be said to have dampened very considerably the ardor of the conspirators. * * *

I have [etc.] E. T. WILLIAMS.

[Inclosure—Translation.]

Manifesto of Doctor Sun Yat Sen.

To the Governments and People of the Foreign Powers:

As the result of careful investigations by officials appointed by the Government to inquire into the recent murder of the Nationalist leader Sung Chiao-jen in Shanghai, the fact is clearly established that the Peking Government is seriously implicated in the crime. Consequently the people are extremely indignant and the situation has become so serious that the nation is on the verge of the most acute and dangerous crisis yet experienced.

The Government, conscious of its guilt and the enormity of its offense, and realizing the strength of the wave of indignation sweeping over the nation as the direct result of its criminal deeds and wicked betrayal of the trust reposed in it, and perceiving that it is likely to lead to its downfall, suddenly and unconstitutionally concluded a loan for £25,000,000 sterling with the quintuple group despite the protests of the representatives of the nation now assembled in Peking.

This high-handed and unconstitutional action of the Government instantly accentuated the intense indignation which had been caused by the foul murder of Sung Chiao-jen, so that at the present time the fury of the people is worked up to white heat and a terrible convulsion appears almost inevitable. Indeed so acute has the crisis become that the widespread smouldering embers may burst forth in a devastating conflagration at any moment.

From the date of the birth of the Republic I have striven for unity, peace, concord and prosperity. I recommended Yuan Shih-kai for the presidency because there appeared reasons for believing that by doing so the unification of the nation and the dawn of an era of peace and prosperity would thereby be hastened. Ever since then I have done all I could to evolve peace, order and government out of chaos created by the revolution. I earnestly desire to preserve peace throughout the Republic but my efforts will be rendered ineffective if financiers would supply the Peking Government with money that could and probably would be used in waging war against the people.

If the country is plunged into war at this juncture it will inevitably inflict terrible misery and suffering upon the people, who are just beginning to recover from the dislocation of trade and losses of various kinds caused by the revolution. For the establishment of the Republic, they have sacrificed much and are now determined to preserve it at all costs.

If the people are now forced into a life-and-death struggle for the preservation of the Republic not only will it entail terrible suffering to the masses but inevitably also adversely affect all foreign interests in China.

If the Peking Government is kept without funds there is a prospect of a compromise between it and the people being effected, while the immediate effect of a liberal supply of money will probably be the precipitation of a terrible and disastrous conflict.

In the name and for the sake of humanity which civilization holds sacred I therefore appeal to you to exert your influence with a view to preventing the bankers from providing the Peking Government with funds which at this juncture will assuredly be utilized as the sinews of war. I appeal to all who have the lasting welfare of mankind at heart to extend to me in this hour of need their moral assistance in averting unnecessary bloodshed and in shielding my countrymen from a hard fate which they have done absolutely nothing to deserve.

Sun Yat Sen.

Note.—During May and June the American Chargé d'Affaires reported at intervals that, in spite of the various disturbances (details of which he gave in his despatches) the situation was on the whole improving or had not greatly changed. (File Nos. 893.00/1723, 1735, 1761.)

File No. 893.00/1764.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Peking, July 19, 1913.

The American Consul General at Shanghai telegraphs that Shanghai has declared independence.

Accurate news from the interior is hard to obtain, but four of the central provinces are believed to have declared independence, and efforts are being made to organize an independent government at Nanking.

WILLIAMS.

File No. 893.00/1765.

The American Consul at Foochow to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN CONSULATE,
Foochow, July 20, 1913.

The Province of Fukien declared its independence on this date.

FOWLER.

File No. 893.00/1766.

The American Consul General at Canton to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN CONSULATE,
Hongkong, July 20, 1913.

The Province of Kwang Tung declared its independence yesterday.

CHESHIRE.

File No. 893.00/1826.

The American Chargé d'Affaires to the Secretary of State.

No. 936.] AMERICAN LEGATION,
Peking, July 22, 1913.

SIR: I have the honor to enclose, for the information and files of the Department, a copy in translation of a memorandum, dated July 20, 1913, from the Wai Chiao Pu, regarding the present disturbances in the South, and the desire of the Government speedily to restore the country to its normal condition.

I have [etc.] E. T. WILLIAMS.

[Inclosure—Memorandum—Translation.]

The Republic has been in existence for over a year and ever since its foundation the Provisional Government has been constantly engaged in efforts to restore order and promote the union. Only thus could local peace be maintained,

only thus could the nation be brought into being. Diplomatic relations between foreign governments and the Government of this nation have been carried forward without a break, while commercial and financial interests have daily improved. There has been an earnest desire to meet loan and indemnity obligations to all foreign governments promptly as they became due.

But unless order were maintained throughout the country without fear of interruption it would be impossible to improve the financial condition of the nation and no genuine safety could be secured. The Government of this nation has thoroughly realized these facts and has with all its energies sought for progress along these lines, sparing itself no exertion to accomplish these ends. It has been evident that the disruption of order would work harm to the union and it would be impossible to proceed with the disbanding of useless troops, the reformation of the currency and the national finances, and other projects. Moreover, foreign commercial interests under these circumstances could not hope to avoid detriment. Not only would the good citizens of this nation have had just cause for grievance, but friendly nations as well.

Official counsels in the central and southern portions of the country have been at variance. Persons devoted to the welfare of the nation have undoubtedly been numerous, but it has been unavoidable that there should also be those to squander funds on the collecting of troops, those whose pleasure is in disaster, whose delight is in ruin. The Government has been forced to make removals and changes as required by circumstances, to the end that localities might have worthy officials and the country prosperity.

But disorderly characters have availed themselves of these circumstances to cause disorders, and military operations have been precipitated. The local forces of the official who has acted as Military Governor of the province in question in addition to his regular duties, have been looked upon by the people of the province as enemies, and they have regarded the entire Government that has the sympathies and support of all as the government of a foreign nation. Agitations have been made for rebellious military measures and the breaking up of the union, with the result that the distressed people who have been but just rescued would again be plunged into bitter misery. The commercial classes hate these men and the markets are disorganized.

The Government has despatched troops to the small and remote region where disorder exists and it will not be difficult to restore quiet within a short period of time. But the Government is animated by sentiments of humanity and affection and it is fundamentally peaceable; hence it is not its desire to inflict upon that locality the distress of military operations. Its only desire is the early quieting of internal disturbances and the rehabilitation of commerce.

Members of the National Assembly and of the provincial chambers of commerce have demanded of the Government the immediate punishment of these rebels. The Government has received a commission from the people and it cannot but perform its full duty. This is the distressful and unavoidable situation in which the Government finds itself with respect to these internal disorders. Foreign nations are most friendly with this nation and must feel the greatest concern at the present time. Hence this communication is made for their complete understanding of the present circumstances.

WAI CHIAO PU,
July 20, 1913.

File No. 893.00/1784.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Peking, July 24, 1913.

The Foreign Office asks consent of diplomatic representatives to permit Chinese officers to search foreign vessels and houses for concealed rebels and munitions of war without consular visa in places where there is no consul of nationality concerned or where consuls

cannot be reached in time. Also asks consent to the trial and punishment by Chinese of foreigners within the fighting lines aiding rebels. The Diplomatic Corps will insist on treaty rights.

The Diplomatic Corps declines the request of Shanghai Chamber of Commerce to request both of the opposed forces to refrain from hostilities within twenty miles of Shanghai.

Sun Yat Sen having demanded resignation from office of Yuan Shih Kai, Sun has been dismissed from the Railway Commission. Tong Shao Yi also requested Yuan to resign; Yuan replied that he would continue.

WILLIAMS.

File No. 893.00/1790.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Peking, July 26, 1913.

The Foreign Office has requested the Diplomatic Body to have Huang Hsin and Chen Chi Mei expelled from the international settlement of Shanghai. This will probably be done. Shanghai settlements are suffering now from neglect in the past to prevent hatching of sedition there.

I have held that no person while engaged in the military operations of either side should be allowed to use the settlement as a base from which to plan attacks, lest the settlement thereby become involved in hostilities.

The Consular Corps at Shanghai has authorized a proclamation against all trouble-makers, but there will be no expulsion without the consent of the consuls. They have also declared that neither side will be allowed to mass troops north of the city, which would endanger the settlements.

Consul Wilder is rightly insisting on judicial procedure.

Vice Consul Gilbert has been asked by Nanking Chamber of Commerce to use his good offices to prevent fighting in Nanking when the rebels retreat from the north. I have some doubt as to the advisability of this and should like instructions.

The Hunan China-American Association asks me to offer my services as peacemaker. This seems to me useless. The Government appears able to suppress the insurrection, which is not supported by the commercial classes of the South and must hence soon collapse. Its sole aim is removal of Yuan, which should be left to settlement by ballot.

WILLIAMS.

File No. 893.00/1790.

The Secretary of State to the American Chargé d'Affaires.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, July 28, 1913.

Your views as to strict non-interference at this time are approved by the Department and you will so inform the Consulate.

BRYAN.

File No. 893.00/1832.

The American Chargé d'Affaires to the Secretary of State.

[Extract.]

No. 947.] AMERICAN LEGATION,
Peking, July 29, 1913.

SIR: Since my report of July 18th[1] upon the political situation, the position of the Central Government has improved considerably. * * *

The leaders of the insurrection have been disappointed in their expectation that all the provinces south of the Yangtze would join them. So far but six provinces have shown any such disposition and some of these give but a half-hearted support. The six are: Kuangtung, Fukien, Kiangsu, Anhui, Kiangsi, and Hunan. * * *

Had the leaders won any important victories, perhaps they would have found more support, but the present condition of affairs points to an early collapse of the whole movement. Should this prognostication, however, prove to be correct, the situation will be most serious. Lack of harmony between the provinces and the capital will still remain; bitter hatred of Yuan Shih-k'ai will still exist, and bankruptcy, leading to foreign intervention will be nearer than ever.

I have [etc.]

E. T. WILLIAMS.

File No. 893.00/1868.

The American Chargé d'Affaires to the Secretary of State.

[Extract.]

No. 963.] AMERICAN LEGATION,
Peking, August 8, 1913.

SIR: Continuing my No. 947 of July 29th, I have the honor to report that since that date the Government has been generally quite successful in its engagements with the rebels. * * *

With the flight of the principal leaders, the rebellion as an organized movement may be said to have collapsed, but there must still be some fighting before order can be restored in the disturbed provinces and the sectional feeling has been increased rather than lessened. The Government is in a stronger position than ever politically, but until it can control the sources of revenue its position must be considered very precarious.

I have [etc.] E. T. WILLIAMS.

File No. 893.00/1889.

The American Chargé d'Affaires to the Secretary of State.

[Extract.]

No. 983.] AMERICAN LEGATION,
Peking, August 22, 1913.

SIR: In continuation of my No. 963 of August 8, 1913, I have the honor to report that the Government has been very successful during

[1] Not printed.

the past two weeks in its military operations for the suppression of the insurrection in certain southern provinces. * * *

Dr. Sun, Huang Hsing, Hu Han-ming, and Chang Ch'i are all in Japan. * * *

The progress of events detailed above shows that the complete suppression of the insurrection is at hand. Martial law still prevails in Peking and executions take place nearly every day. * * *

I have [etc.]

E. T. WILLIAMS.

File No. 893.00/1890.

The American Chargé d'Affaires to the Secretary of State.

[Extract.]

No. 984.] AMERICAN LEGATION,
Peking, August 22, 1913.

SIR: Referring to my No. 983 of this date, detailing the progress of events connected with the suppression of the revolt in certain southern provinces of China, I have the honor to observe that this insurrection will not have been an unmixed evil if it serves to correct the false impression, apparently quite prevalent in the western world, that the "heroes" of the Revolution, as President Yuan loves to call them, have a great hold upon the affections of the Chinese people.

The success of the Revolution of 1911 was due principally to two things: (1) The degeneracy of the Manchus and their unwillingness to die for their cause, and (2) the indifference of their Chinese Premier, Yuan Shih-k'ai, to the continuance of the Dynasty, shown in his unwillingness to follow up his victories at Hankow and Hanyang and by his readiness to spare his own countrymen the horrors of civil war, provided the north and south should unite in a Republic of which he was to be President. Yuan Shih-ka'i, after all, was the real founder of the Republic.

The southern leaders failed to realize their own weakness and although they have been permitted to enrich themselves at the expense of the public since the Republic was established they have been disgruntled by their loss of control of affairs and have constantly attempted to place obstacles in the way of President Yuan's government and to make it a failure.

The statement in Dr. Sun's recent manifesto that the insurrection was but a protest against the President's despatch of troops into the southern provinces, which he had predicted would follow the negotiation of a foreign loan, is ridiculous in the light of his own seditious utterances to Bishop Bashford and others long before this movement of troops began.

That the rising was caused by any desire to avenge the death of Sung Chiao-jen is equally without foundation. No better proof of this is needed than the action of Ch'en Ch'i-mei in taking advantage of the fighting in Shanghai to secure the escape of Ying Kuei-sheng, the man in whose house the assassin of Sung found refuge and who was accused by the assassin himself of hiring him to murder Sung. This man Ying was the author of the letters to Hung in the Ministry of the Interior which letters were regarded by some as evidence of the complicity of the Cabinet in the crime.

When the Revolution of 1911 broke out, the commercial classes of the Chinese who had been hampered all their lives by official corruption, were induced to support the movement in the hope of bettering their condition. Many, however, even then, gave support very reluctantly; the disreputable character of Ch'en Ch'i-mei and his followers was well known and both Dr. Sun and Huang Hsing were regarded as impractical. The racial feeling, however, was strong and when the cry was raised for the overthrow of the Manchus, an alien dynasty, it was comparatively easy to find a response in the hearts of most Chinese.

In the recent insurrection, on the contrary, there was no such rallying cry. The inscription on the rebel banners: "Punish Yuan," met with no enthusiastic response. The business men of the country, although some of them might dislike Yuan, knew that a loan was absolutely necessary to the carrying on of the administration and, so, approved of the negotiations.* * *

The great problem in China up to the present has been that of finance. So long as the disaffected leaders maintained their provincial armies and refused to send the revenues to Peking, so long Peking was kept weak. The use of these provincial levies to make war upon the Government has given the best possible excuse to Peking for their disbandment and the substitution of national troops in the disturbed provinces. The dissolution of the rebellious assemblies and the flight of rebel governors have also aided in making it possible for the Central Government to obtain control of these provinces, and thus also the control of their revenues. If this control should be realized, the Republic will be stronger than ever before. But all depends upon the wisdom with which the President shall use his victory. * * *

The constitutional committee is drawing up a constitution which bids fair to be unworkable. Little heed is given to the advice of those who are able to point out the practical difficulties which interfere with the application of a beautiful theory. The constitution, when drawn, will have to be reported to the Assembly and the final decision will be taken there. Possibly the President may be able to secure amendment at the time, but, if not, he is likely to find his exercise of the office so hampered as to make the administration of the government more difficult than ever.

I have [etc.] E. T. Williams.

File No. 893.00/1891.

The American Ambassador to Japan to the Secretary of State.

No. 1.] American Embassy,
Tokyo, August 25, 1913.

Sir: I have the honor to report that Dr. Sun Yat Sen, General Huang Hsing, and Hu Han Ming, ex-Tutuh of Kwantung, who instigated the recent insurrection in South China and for whose heads Yuan Shih Kai has offered rewards, arrived in Japan in the early part of the present month.

The Japanese authorities at first hesitated whether they should give them asylum, but they finally decided that, inasmuch as they

are political and not criminal refugees, they would allow them to remain in this country on the condition that they do not use it as a basis for revolutionary operations. It is suspected that they have been followed to Japan by persons seeking to take their lives, and the Japanese police are accordingly exercising the strictest vigilance for their safety. While the movements and whereabouts of the refugees have been concealed as far as possible, they are at present said to be staying in Yokohama and Tokyo.

It is rumored that Dr. Sun, and perhaps his colleagues, intend later to proceed to the United States.

I have [etc.] GEORGE W. GUTHRIE.

File No. 893.00/1949.

The American Chargé d'Affaires to the Secretary of State.

[Extract.]

No. 1006.] AMERICAN LEGATION,
Peking, September 12, 1913.

SIR: I have the honor to report upon the political situation in China as follows:

On September 1st the City of Nanking, the last rebel stronghold in the Yangtze Valley, was captured by the northern troops. * * *

In the midst of the confusion and disorder which followed the capture of Nanking three Japanese subjects were killed. According to Mr. Gilbert's report of the occurrence, these men were accused of aiding the rebels. Inasmuch as a number of Japanese have been aiding and abetting the rebellion the charge is not unreasonable. Other reports, however, state that they were caught looting. The Japanese account current here is that they were staying at the Japanese Consulate for safety and that when they learned that their own shops were being looted, they left the Consulate and attempted to reach their homes to save their property and that while doing so they were shot by General Chang's troops.

The Department has undoubtedly been informed of the excitement created in Tokyo by the report of the killing of these three Japanese subjects. The opposition seems to have used the incident in an attack upon the Government. * * *

Joined with this incident of the killing of the Japanese in Nanking are two other cases: The first was the arrest by northern troops on August 11th of a Japanese officer in uniform, Lieutenant Nishimura, near Hankow. It is alleged that he was detained six hours and that during that time he was cruelly tortured. * * * The second case was the more recent arrest and detention at Yenchou Fu, Shantung, of a Japanese officer in uniform who was duly provided with a passport.

These two cases are regarded by the Japanese Legation as of far more serious consequence than the killing of three civilians at Nanking. The demands presented by the Japanese Government cover all these cases and certainly can not be considered excessive or unreasonable. They are as follows:

1. The culprits should be punished.

2. Those officers who neglected to accord protection to the Japanese be punished.

3. General Chang Hsun should express his regret to the Japanese Consulate for the accident.

4. The familes of the deceased Japanese be indemnified.

5. The Central Government express its regret to the Japanese Government.

6. The troops of General Chang be ordered to go to the Japanese Consulate in procession.

It would seem to be the part of wisdom for the Chinese Government to agree at once to these demands and thus dispose of a case which might easily grow into a source of serious trouble. But there is a disposition on the part of some of the Chinese officials to refuse to comply with these demands and to try to modify them. It would be entirely un-Chinese to agree to the first demands and they may be counted upon almost invariably to do the wrong thing. If these demands are not agreed to promptly, there is no doubt but that far heavier demands will be made. It is already rumored that the extension of the lease of Port Arthur and the Kuantung Peninsula will be asked.

There is also a disposition to ask for the removal of General Chang Hsun. It is doubtful if this could be done without a fight.

In the meantime, the Japanese have landed several hundred bluejackets at Nanking with machine-guns and this force is now inside the city of Nanking protecting the Japanese Consulate and the property of Japanese civilians.

I have [etc.]

E. T. WILLIAMS.

File No. 893.001Y9/3.

The Chinese Chargé d'Affaires to the Secretary of State.

LEGATION OF CHINA,
Washington, October 6, 1913.

SIR: I have the honor to inform you that the Legation is in receipt of a telegram from the Foreign Office stating that the Chinese National Assembly has this day elected the present Provisional President, Yuan Shih Kai, the President of the Republic of China. The telegram further states that the President will be inaugurated on October 10, 1913.

Accept [etc.]

CHANG KANG-JEN.

File No. 893.001Y9/4.

The Chinese Chargé d'Affaires to the Acting Secretary of State.

LEGATION OF CHINA,
Washington, October 8, 1913.

SIR: I have the honor to inform you that the Legation is in receipt of a telegram from the Foreign Office stating that the National Assembly has elected General Li Yuan Hung the Vice President of the Republic of China.

Accept [etc.]

CHANG KANG-JEN.

File No. 893.00/2001.

The American Chargé d'Affaires to the Secretary of State.

No. 1042.] AMERICAN LEGATION,
Peking, October 8, 1913.

SIR: I have the honor to enclose a copy in translation of a note, dated October 7, 1913, from the Ministry of Foreign Affairs, informing the Legation that the Ministers for Sweden, Spain, Belgium, Russia, Denmark, France, Portugal, Japan, The Netherlands, Great Britain, Austria-Hungary, Italy and Germany, have been directed by their respective Governments to accord formal recognition to the Republic of China, and requesting that this information be conveyed to the American Government.

I have [etc.]

E. T. WILLIAMS.

[Inclosure—Translation.]

The Chinese Minister for Foreign Affairs to the American Chargé d'Affaires.

No. 465.] FOREIGN OFFICE,
Peking, October 7, 1913.

SIR: I have the honor to inform you that I have received, simultaneously, notes from the Ministers for Sweden, Spain, Belgium, Russia, Denmark, France, Portugal, Japan, The Netherlands, Great Britain, Austria-Hungary, Italy and Germany, informing me that they are in receipt of instructions from their respective Governments directing them to accord formal recognition to the Republic of China.

I have the honor to request that this information be conveyed to the American Government.

SUN PAO KI.

File No. 893.00/1951.

The American Minister to Switzerland to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Berne, October 8, 1913.

The Republic of China was recognized by the Swiss Government on October 8.

STOVALL.

File No. 893.001Y9/8.

The President to the President of China.

[Telegram.]

THE WHITE HOUSE,
Washington, October 9, 1913.

On this auspicious occasion of Your Excellency's inauguration as Chief Magistrate of the Chinese Republic, I offer to Your Excellency my congratulations on the trust and confidence reposed in you by the National Assembly and felicitate the Assembly and the Chinese people on the selection for that high and honorable office of a gentleman

so eminently qualified as yourself. It is my hope and expectation that guided by the principles of right and justice and the high ideals of republican government Your Excellency's administration will be so conducted as to assure the advancement of China and conduce to the peace, happiness and prosperity of her people. It will be my pleasure to cooperate with you in preserving and still more firmly cementing the friendly and cordial relations between the two countries.

WOODROW WILSON.

File No. 893.00/2006.

The American Chargé d'Affaires to the Secretary of State.

No. 1043.] AMERICAN LEGATION,
Peking, October 9, 1913.

SIR: I have the honor to enclose a copy in translation of a note dated the 8th instant from the Ministry of Foreign Affairs, informing the Legation that the present Provisional Vice-President, Li Yuan-hung, has been elected Vice-President of the Republic of China, and requesting that this information be conveyed to the American Government.

I have [etc.]

E. T. WILLIAMS.

[Inclosure—Translation.]

The Chinese Minister for Foreign Affairs to the American Chargé d'Affaires.

No. 466.] FOREIGN OFFICE,
Peking, October 8, 1913.

SIR: With reference to the election of the Vice President by the Assembly on October 7, 1913, I have the honor to inform you that I am in receipt of a report from the Speaker of the Assembly to the effect that the present Provisional Vice President, Li Yuan-hung, has been elected Vice President of the Republic of China. I have the honor to request that this intelligence be conveyed to the American Government.

SUN PAO KI.

File No. 893.001Y9/8.

The Acting Secretary of State to the Chinese Chargé d'Affaires.

No. 255.] DEPARTMENT OF STATE,
Washington, October 10, 1913.

SIR: I have the honor to acknowledge the receipt of your note of the 6th instant by which the Department is informed that the Chinese National Assembly had on that day elected the Provisional President, Yuan Shih Kai, to be President of the Republic of China, and that he would be inaugurated on the 10th instant.

In reply I have the honor to state that the President has been happy to despatch to His Excellency Yuan Shih Kai a telegram of congratulation, a copy of which I beg to enclose.

Accept [etc.]

J. B. MOORE.

File No. 893.00/2002.

The American Chargé d'Affaires to the Secretary of State.

No. 1044.] AMERICAN LEGATION,
Peking, October 10, 1913.

SIR: I have the honor to report that on the afternoon of the 8th instant the Minister for Foreign Affairs called at the Legation formally. He stated that he had great pleasure in informing me that the remaining great powers of the world had notified his Government, through their respective chiefs of mission, that they were prepared to enter into formal relations with the Republic of China, to which they therefore accorded recognition. The Minister further stated that while this simultaneous recognition by so many great powers afforded his Government the greatest satisfaction, it did not forget that the Government of the United States had been the first to extend this mark of friendship and he therefore availed himself of the occasion to call formally on the American Diplomatic Mission to extend the sincere thanks of his Government for the cordiality of sentiment that prompted the American Government to be the first of the great powers to recognize the Republic of China.

I expressed my appreciation of the courtesy displayed by his excellency in making this formal call and referred to the recognition extended by my Government as the official expression of an urgent popular demand on the part of the people of the United States who felt for the Republic of China a peculiar sympathy, due to the similarity of the political aspirations cherished by the peoples of the two Republics.

I have [etc.]

E. T. WILLIAMS.

File No. 893.00/2003.

The American Chargé d'Affaires to the Secretary of State.

No. 1046.] AMERICAN LEGATION,
Peking, October 11, 1913.

SIR: I have the honor to enclose copies in translation of two notes dated the 10th instant from the Ministry for Foreign Affairs, informing the Legation of the formal recognition by the Governments of Norway and Switzerland of the Republic of China, and requesting that this information be communicated to the American Government.

I have [etc.]

E. T. WILLIAMS.

[Inclosure 1—Translation.]

The Chinese Minister for Foreign Affairs to the American Chargé d'Affaires.

No. 472.] FOREIGN OFFICE,
Peking, October 10, 1913.

SIR: I have the honor to inform you that on October 9, 1913, I received a note from the British Minister, acting on behalf of Norway, stating that he was in receipt of instructions from the Government of that country directing him to extend formal recognition to the Republic of China.

SUN PAO KI.

[Inclosure 2—Translation.]

No. 473.] FOREIGN OFFICE,
Peking, October 10, 1913.

SIR: I have the honor to state that on October 8, 1913, I received a telegram from the Federal Council of the Swiss Confederation stating that it was in receipt of instructions from the Government of that nation to extend formal recognition to the Republic of China.

I have the honor to request that this information be transmitted to the American Government.

SUN PAO KI.

File No. 893.001Y9/5.

The President of China to the President.

[Telegram.]

PEKING, *October 13, 1913.*

Intensely appreciative of Your Excellency's congratulation and compliment extended to me on the occasion of my inauguration as President of the Chinese Republic, I offer to Your Excellency my most sincere thanks for them. The high trust and confidence which the people of China through the National Assembly have seen fit to place in me make me fully conscious of the great responsibilities that go with them. Happily in the performance of my duties I always have the luminous example of the United States to guide and help me. It also affords me much delight to observe that Your Excellency's hope and expectation for the advancement of China and the promotion of the peace, happiness, and prosperity of her people under the republican system of government coincide precisely with my resolute aim and firm object in carrying on the new administration. With this renewed indication of sympathy and interest from Your Excellency my hope to draw closer the bonds of friendship and good understanding that unite the two sister republics has grown stronger than ever and it will be an unfailing pleasure to me to cooperate with Your Excellency to attain this end.

YUAN SHIH KAI.

File No. 893.00/2004.

The American Chargé d'Affaires to the Secretary of State.

[Extract.]

No. 1052.] AMERICAN LEGATION,
Peking, October 13, 1913.

SIR: I have the honor to report that the inauguration of the regularly elected President of the Republic of China took place on October 10th in the Tai Ho Tien, or principal hall of the Manchu Palace. * * *

The arrangements made for the reception of the Diplomatic Corps were almost identical with those for an audience of the Emperor under the late dynasty. * * *

On the morning of the 10th instant at nine o'clock a mounted escort sent by the Ministry of the Interior appeared at the Legation and accompanied the entire staff of the Legation to the principal entrance of the Palace, the T'ien An Men, or South Gate. We left our carriages here and the Chiefs of Missions were carried in green

palace chairs three-quarters of a mile to the T'ai Ho Gate, followed by the staffs on foot. There we were met by the Master of Ceremonies, Mr. Lou Tseng Tsiang, recently the Minister for Foreign Affairs, who conducted us to the waiting room. * * *

At eleven o'clock we were conducted across the great court to the Hall of Ceremony where we were stationed in the northeast corner, to the left of the President. No seats were provided; everyone in the hall stood. * * * The President, escorted by the President of the Senate and the Speaker of the House, as well as officers of the bodyguard, entered the hall from the rear door on the north and ascended the dais in the middle of the hall where until recently the Imperial Throne was placed. The dragon screen behind the throne was still in place, but draped with rainbow flags. An attendant placed a small table covered with red silk before the President, who stood facing the south. The Master of Ceremonies having handed the oath to the President, the latter read it. It was brief. Translated, it was to the following effect:

I hereby swear that I will most sincerely obey the Constitution and faithfully discharge the duties of the President.

The President then read an address, a translation of which is enclosed.[1]

I have the honor to call attention particularly to the following declaration contained in it:

I hereby declare that all treaties, conventions, and other engagements entered into by the former Manchu and the Provisional Republican Governments with foreign governments shall be strictly observed, and that all contracts duly concluded by the former governments with foreign companies and individuals shall also be strictly observed, and further that all rights, privileges, and immunities enjoyed by foreigners in China by virtue of international engagements, national enactments and established usages are hereby confirmed. This declaration I make with the view to maintain international amity and peace.

This declaration was inserted at the suggestion of the representatives of those Governments which had not recognized China previous to the recent election, and its insertion was the condition upon which their Governments agreed to give recognition. On October 6th, the day of the election, the promise to insert this statement in the inaugural address was given to the foreign representatives in a note, of which I enclose a copy.

At the conclusion of the address the Chinese officials present bowed three times, a salutation which was returned by the President, after which the shout of "Long live the Republic!" was given three times by the assemblage.

The President then withdrew and the Chinese officials also left the hall. The Diplomatic Corps was then conducted out through the easternmost opening of the southern doorway and brought back through the central doorway to the front of the dais. There we were arranged in legations, according to seniority. The President returned and the Dean[2] read a congratulatory address, of which I enclose a copy and translation. This having been translated into Chinese, the President read a reply in his own tongue which was translated into French. Of this reply I have the honor to enclose an English translation.

[1] See "Inaugural Address of the President, Yuan Shih K'ai, pp. 82–86.
[2] The Spanish Minister, Señor Pastor.

Each Chief of Mission was then presented to the President and in turn introduced the members of his staff. The President then once more withdrew to the Pao Ho Tien, and the members of the Diplomatic Corps returned to the waiting room where they were served with refreshments.

While we were so engaged, Prince Pu-lun, representing His Majesty, the Emperor, presented to the President an address of congratulation. Congratulations were also offered by the Chinese high officials, after which the President went to the reviewing stand on the top of the T'ien An Men, whither we were all conducted. * * *

The celebration of this historic event lasted three days, as is customary with Chinese celebrations. The decorations and illumination began on the ninth and lasted throughout the night of the eleventh.

Telegrams were received by the President from all parts of the Republic and from foreign Chiefs of State. The people seem relieved to know that a permanent government has been established. Many families that fled from Peking in 1911 and 1912 are now returning to the city.

Confidence in the ability of the Government to maintain peace is increasing and it is to be hoped that, now that the wrangling over the Presidency has ended, the Government will be able to give its attention to the suppression of brigandage and piracy and the establishment of an efficient administration.

I have [etc.] E. T. WILLIAMS.

[Inclosure 1.]

The Minister for Foreign Affairs to the American Chargé d'Affaires.

No. 463.] FOREIGN OFFICE,
Peking, October 6, 1913.

SIR: I have the honor to inform you that I am in receipt of a communication from the Secretariat of the President's Office, as follows:

The President has issued the following statement:

"On the tenth day of October will occur my inauguration as President. On that occasion I will deliver an inaugural address containing the following declaration relating to international relations:

"'The attitude of the foreign powers toward us has always been that of peace and fairness, and whenever occasion therefor has arisen they have rendered us cordial assistance. In this is furnished ample evidence of the civilization of the world, yet at the same time such exhibitions of good-will from friendly nations arouse in us sentiments of deep gratitude. It is most important that all citizens of the Republic should clearly understand this, in order that with sincerity of purpose they may endeavor to strengthen the friendship of our international bonds.

"'I hereby declare that all treaties, conventions, and other engagements entered into by the former Manchu and the Provisional Republican Governments with foreign governments shall be strictly observed, and that all contracts duly concluded by the former governments with foreign companies and individuals shall also be strictly observed, and further that all rights, privileges, and immunities enjoyed by foreigners in China by virtue of international engagements, national enactments and established usages are hereby confirmed. This declaration I make with the view to maintain international amity and peace.'"

The above being draft of the declaration now in preparation, while I have the honor to communicate it to you in advance, it is earnestly hoped that no publicity will be given thereto for the present.

I have the further honor to request that the above excerpt be transmitted to your Government.

[Seal of the Ministry of Foreign Affairs.]

[Inclosure 2—Translation.]

Address of the Dean of the Diplomatic Corps at the Inauguration.

MR. PRESIDENT: In the name of the Diplomatic Corps which I have the honor to represent, I congratulate Your Excellency upon your election to the Presidency of the Republic.

Meeting, for the first time since the installation of the new régime, at an official Chinese celebration, we beg Your Excellency to believe the expression of our joint wish that your formal elevation to the Chief Magistracy may be the beginning of an era of prosperity unprecedented in China.

The strict observance of treaties and usages will be for China not only a guaranty of peace and for the Government of the Republic a condition of stability but it will also assure to this country a development of its resources in which foreign nations will have an interest in collaborating.

We are confident that under such conditions the cordial relations that today so happily join our Governments to yours will be even more closely drawn. The Diplomatic Corps is assured of this beneficent effect by the valuable support of the Chief of the Chinese State. It is glad to offer to Your Excellency its wishes for the prosperity of your Administration and for your personal happiness.

[Inclosure 3—Translation.]

Reply of the President.

MR. DEAN: On this occasion of my election to the Presidency of the Republic your excellency has been good enough to address to me, in the name of the Diplomatic Body, felicitations and good wishes on my behalf, expressive of the hope that my elevation to the Chief Magistracy may be the prelude to an era of renewed prosperity for China. I am profoundly moved by these sentiments and I desire to thank your excellency with all my heart.

You are all aware, Messieurs les Ministres, of the sentiments I entertain with regard both to treaties and established usages, that constitute the sole foundation on which have been built the excellent relations between your countries and ours. It is they that have guaranteed during this provisional period of my Government uninterrupted and most cordial relations between us.

You may count, Messieurs, on my efforts, which, from now on I will redouble, to the end that those bonds of friendship and mutual confidence already so happily existing, may be drawn closer still.

I permit myself the hope of receiving, on your part, valuable cooperation in my task of pacification and of the amelioration of the economic condition in my country. On this point I feel absolute confidence, being convinced that our past relations may be taken as the best of guarantees for the future.

In closing I desire to express, in my turn, to your excellencies, my sincere wishes for your personal happiness and for the prosperity of the nations that you represent with so much distinction.

File No. 893.001Y9/10.

The American Chargé d'Affaires to the Secretary of State.

No. 1080.] AMERICAN LEGATION,
Peking, October 24, 1913.

SIR: I have the honor to enclose a copy in translation of a note dated the 20th instant from his excellency Admiral Liu Kuan-hsiung, the Minister of the Navy, expressing appreciation of the act of courtesy on the part of the American warships in exchanging salutes with the Chinese men-of-war at Woosung on October 10th, in honor of the election and inauguration of the President of the Republic of China. I have the honor to suggest that the contents of the enclosed note be communicated to the Honorable the Secretary of the

Navy, as requested by Admiral Liu, and to state that a copy thereof has been transmitted to the Commander-in-Chief of U. S. Asiatic Fleet.

I have [etc.] E. T. WILLIAMS.

[Inclosure—Translation.]

The Minister of the Navy of China to the American Chargé d'Affaires.

MINISTRY OF THE NAVY,
Peking, October 20, 1913.

SIR: I have the honor to inform you that a telegram was received yesterday from the office of the Commander-in-Chief of the Navy, stating that the American warships at Woosung exchanged salutes with some Chinese warships in honor of the election and inauguration of the President on October 10th.

I wish to express my thanks for this act of courtesy, and also to express the hope that the friendly relations which have long existed between China and the United States may be strengthened for the future. I have the honor to request that you will communicate the contents of this despatch to the Secretary of the Navy of the American Government and to the Admiral of the Asiatic Fleet.

With compliments.

LIU KUAN-HSIUNG.

File No. 893.00/1979.

The American Chargé d'Affaires to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Peking, November 2, 1913.

Serious disorders in southern Honan. Brigands are burning villages around Pi Yang where there is an American Seventh Day Advent Mission. I am demanding protection of the Mission and the suppression of brigandage.

WILLIAMS.

File No. 893.00/1993, 1995.

The American Chargé d'Affaires to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Peking, November 5, 1913.

Three long Presidential decrees appear in the Official Gazette of yesterday, dissolving Nationalist party and expelling about 300 members thereof from the Assembly. Some are imprisoned. The party name is prohibited as treasonable. Anyone using it after three days is to be arrested as a traitor. The President charges the party with responsibility for the late insurrection and with plotting further rebellion. By this move the President prevented adoption of the draft constitution, aimed at limiting his powers. There is now no quorum and no legislation is possible until election of members to fill the vacancies.

WILLIAMS.

File No. 893.00/2039.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Peking, December 12, 1913.

Russia has decided, even without the concurrence of the other powers, to withdraw all Russian troops from Chihli Province on the ground that security is now sufficiently assured by the Chinese Government. This is an astonishing move, as conditions in China are still very uncertain, especially in Inner Mongolia, and many believe a break-up is near.

REINSCH.

File No. 893.00/2041.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Peking, December 16, 1913.

Nearly all the Ministers, and the Chinese themselves, believe withdrawal of troops would be premature.

REINSCH.

File No. 893.00/2041.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, December 17, 1913.

There is no intention at this time on the part of this Government to withdraw or reduce the American expeditionary force in North China.

BRYAN.

File No. 893.01/9.

The American Minister to the Secretary of State.

No. 51.] AMERICAN LEGATION,
Peking, December 23, 1913.

SIR: I have the honor to transmit, for the information of the Department, a memorandum on the political situation, prepared by Mr. Willys R. Peck, Chinese Secretary of this Legation, as well as a number of cuttings [1] from the Peking Daily News on the same subject.

I have the honor to enclose, also, a copy in translation of a presidential order [1] dated the 18th instant, enclosing a copy of a telegram from the governors of the various provinces to the President, recom-

[1] Not printed.

mending the postponement of the reopening of the Parliament, and the granting of authorization to the Administrative Council for drawing up a constitution.

I have [etc.] PAUL S. REINSCH.

[Inclosure.]

Memorandum on the political situation.

THE POLITICAL COUNCIL (CHENG CHIH HUI).

On November 26, 1913, a Presidential Mandate was published in the Government Gazette announcing the convocation within a few days of a Political Council. It was stated that the Council would be constituted as follows:

The members from the Provinces [two from each] will assemble in a few days. In addition the Premier will select two members; the heads of Ministries will each select one member; there will be two legal members; the Bureau of Mongolian and Tibetan Affairs will select a number of members.

The President himself has selected the following members [names].

While the most-talked-of subject at the present time, and obviously a most important development in the trend of political events, there is curiously enough very little authoritative information to be gleaned with respect to this Council. The Government Gazette has contained allusions to it on only three days. On November 26th one was found in the Presidential Mandate quoted above, which contained a list of the President's appointees, eight in number. On December 12th Mr. Li Ching-hsi was appointed Chairman, and two names were substituted for names previously included among the President's representatives; while on December 14th a Vice Chairman and a Chief Secretary were appointed.

It is interesting to note that the President personally in conversation with the American Minister repudiated the idea that the Council was intended to supplant the Assembly in legislative function. What the President and the Cabinet had in mind in creating this organization can be gathered, however, by reference to the addresses delivered on the occasion of the convocation of the Council on December 15, 1913.

In the President's address read that day by Mr. Liang Shih-yi, Chief of the President's Secretariat, occurs a statement to the following effect:

I, the President, am convinced of the necessity of gathering the opinions and ideas of the majority, so this Political Council has been created in the Capital with a view to joint working with our countrymen for the reconstruction of the Republic. All the members assembled here to-day are specially selected from among those officials and others who are experienced in Chinese administration and it is hoped that they will give their good advice to the Government with regard to the introduction of necessary reforms.

In another lengthy address from the President, prepared for distribution among the members of the Council occur the following passages, here summarized:

As you are men of much knowledge and experience I am sure you will be fully capable of assisting the Government in formulating its policies, and in speaking for the people, so as to remove all the obstacles between the Government and the people.

Now those who fought for equality and liberty without bounds did not believe in their hearts in any such doctrine; they simply used it to further their schemes to disturb the country.

Again, the term Republic is a beautiful term; but it only implies that the people have the right to know about the affairs of the State, not that everybody can have a hand in it. If everybody tries to put in a hand there will surely be confusion. "Popular rights" only means that people have the right of suffrage, representation in deliberative bodies, and the supreme right of electing their own President. It does not mean that they have the right to administer the Government.

At the present time there are too many theorists in the country and most of their talk and suggestions can not be put into practice.

The gist of the President's remarks seems to be that the pressing necessities of the moment, the actual capabilities of the Chinese race, and the lessons of Chinese history, must guide the Government at the present time. He does not believe that the whole theory of government as practiced in China hitherto can be discarded in toto, and western ideas substituted therefor.

On the day of the convocation of the Council the Premier's address, made on behalf of the Cabinet, took the same tone:

In order to effect reorganization in our country we must first carefully examine the past history of our Nation and the existing condition of the people.

He likewise alluded to the past experience of the members of the Council in "financial, administrative, and other branches of the Government."

In the absence of official utterances with reference to the functions and powers of the Political Council, already referred to, an idea regarding them can only be deduced from the local press, foreign and Chinese. From the press it is learned that subjects of administrative, fiscal, and other character will be submitted to the Council for its consideration. Presumably the President and Cabinet will be guided by the decisions arrived at. The President's Office will exercise strict control over the subjects submitted. From the character of the men appointed to the Council the nature and trend of its decisions may be forecasted with considerable accuracy. * * * They are simply men of great experience in the actual governing of their countrymen, of distinguished learning in the classics, and of reputation among the substantial men of the Ch'ing period.

Both in his lengthy address to the Council and in his conversation with the American Minister the President has referred in terms almost bitter to the lawlessness and corruption, to the knavery and self-seeking that have masqueraded in Kuangtung and Kiangsi, provinces most pronouncedly republican, under the name of "Republic." That this has been the fact can not be gainsaid. It is therefore not to be wondered at that he has collected about him a body of men to serve as the advisors of himself and the highest officials of the country who, only yesterday, would have been considered intelligent and worthy of great respect. Those members of the Council not directly appointed by the President were selected by his appointees, the members of the Cabinet and the provincial authorities, and while their names are comparatively unknown in the Capital they are in all probability of the same type as his own.

That the President, whether of his own volition or as tool of his camarilla, composed of men whose political fortunes are absolutely dependent on those of the President, is seeking at least temporary absolute power, is a hypothesis accepted by most foreigners in China, and by Chinese as well. This hypothesis is likewise upheld by the President's course of action. After midnight last night (under date of December 18, 1913) there appeared in the Government Gazette the copy of a long telegram signed by every prominent provincial official in the Republic describing the utter lack of success and accomplishment of the Assembly, urging that the remaining members thereof be given traveling expenses and sent home to await the re-convoking of the Assembly, presumably by the President, and advising that the distinguished example found in American history be followed and the Political Council be made a Constitutional Convention and entrusted with the drawing up of the Constitution. The President in a mandate signed by every member of his Cabinet referred this telegram to the Political Council for consideration and report.

This telegram and the mandate issued in response to it bear both internal and external evidence of a carefully framed coup d'état. Internally it is undoubtedly, so a well-informed Chinese states, the literary workmanship of Mr. Jao Han-hsiang, formerly Civil Governor of Hupei with Vice President Li Yuan-hung, who has now been appointed one of the President's representatives in the Council. Externally considered, the telegram is signed by every military and civil governor and special commissioner in the country, which could hardly have been accomplished after due consultation with all the gentlemen whose names appear. Moreover, all the occurrences of the last few weeks are so extremely apposite as to appear to have been staged. No sooner are the Kuo Min Tang members of the Assembly expelled therefrom, thus rendering the Assembly hors de combat, than the Political Council appears on the scene, only to be supported by a telegram emanating from all the prominent officials of the Republic.

The tendency of everyone at the present time, both among foreigners and Chinese, is to "wait and see." Even among the most ardent supporters of a pure Republic for China there is a recognition of the immense difficulties standing in the way, of the present inability of the mass of Chinese citizens to understand and support such a form of Government, and of the mountainous obstacles that the President must surmount in carrying on the practical administration of the Government in this "time of fording the river" to use a Chinese phrase. In all probability some months will be allowed to elapse before any active opposition will be manifested to the apparently dictatorial aspirations of Yuan Shih-k'ai. At the end of such a period measures will be taken, so a person closely connected with the extremists says, measures of a

nature probably directed against the President himself and having as their object his removal from the political arena.

In the meantime there are many who believe that Yuan is acting with patriotic motives, that he really considers that the only force that can amalgamate the present mêlée of warring factions, that can reconcile the modern extremists and the vast bulk of the nation caring "for none of these things," is a strong central power, centered in himself, a power that will ultimately be able to bring it about that, to quote his own words, "eternally there shall be good and friendly relationships and internally there shall be peace between the weak and the strong."

Respectfully submitted to the Minister,

WILLYS R. PECK.

AMERICAN LEGATION,
Peking, December 19, 1913.

LOAN NEGOTIATIONS:[1] WITHDRAWAL OF THE UNITED STATES GROUP OF BANKERS FROM THE SEXTUPLE CONSORTIUM; CONCLUSION OF A REORGANIZATION-LOAN AGREEMENT BETWEEN CHINA AND THE QUINTUPLE GROUP—CURRENCY-REFORM AND MANCHURIAN-INDUSTRIAL LOAN—STUDENT LOANS—MISCELLANEOUS LOANS.

INTRODUCTORY NOTE.—On August 30, 1912, the Chinese Government, unable to come to terms with the six-power groups, concluded an agreement with an independent financial group that became known later as the Crisp Group, for a loan of £10,000,000, secured on the unhypothecated revenues of the salt gabelle, and £5,000,000 of this amount was floated on the London market on September 26. This agreement gave the lenders until September 30 to issue the balance of £5,000,000 and, until such issue, conferred a preference for further loans on equal terms.[2]

On October 23 the six Ministers protested against the surplus revenues of the salt gabelle being applied to the service of the Crisp loan, and notified the Chinese Government that the advances made by the six groups on account of the reorganization loan, amounting to £1,800,000, constituted a prior charge on the revenues of the salt gabelle.

On October 25 the Chinese Government expressed to the representatives of the bankers its desire to cancel the Crisp loan contract and reopen negotiations with the six groups.

On November 4 the six powers directed the representatives of the bankers at Peking to consider, in consultation with their respective Ministers, what conditions for the new loan were in their opinion "indispensable and practicable." The representatives reported on the 6th that negotiations with the Chinese authorities had been resumed.

On November 12 the bankers' representatives informed their principals that the Chinese Government had applied to Mr. Crisp for a further loan of £10,000,000; he had confessed his inability to comply, whereupon the Chinese Government informed him of their intention to apply elsewhere as they considered themselves released from their engagement to him. Three days later the representatives an-

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[1] Continued from For. Rel. 1912, pp. 87–159.

[2] This loan by the Crisp group is referred to, although not by that name, in For. Rel. 1912, pp. 150 (the Minister's telegram of September 11), 152 (telegrams of September 19 and 25), 153 (telegrams of September 26 and 28), 155 (last paragraph), and 158 (reference to the "London syndicate").

nounced receipt of a joint letter from the Premier, the Minister for Foreign Affairs and the Minister of Finance, dated the 11th, expressing the desire of the Chinese Government to negotiate with the six groups and not with others; and reported an interview they had had on the 14th with the Minister of Finance at which the Minister was informed that an undertaking in writing from Mr. Crisp releasing the Chinese Government from their agreement with him would be a necessary condition of continuing negotiations with the six groups.

A conference of the bankers was called for December 13, and on December 9 their representatives were told that it would be necessary to know, before the conference, (1) what was the minimum amount that would satisfy the imperative needs of the Chinese Government up to December 31, and (2) during January, February and March; also (3) what objects the money was required for, and (4) what was the actual position as to the balance of the Crisp loan. These points were the subject of correspondence before, during and after the conference, resulting in the bankers offering, on December 21, to advance £2,000,000 in the second half of January, subject to force majeure, provided the Crisp loan agreement had previously been cancelled and the loan agreement with them had been signed. This latter agreement was to be for £25,000,000 for reorganization purposes, but the Chinese had thus far objected to several of its features. The six Ministers, furthermore, were not unanimous in regard to the terms of the agreement, as appears from the following telegram from Mr. Calhoun, the American Minister.

File No. 893.51/1204.

The American Minister to the Secretary of State.[1]

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Peking, December 30, 1912.

Two points that may prove obstructive have been raised in the loan negotiations, which were apparently progressing to agreement. The French have insisted that losses incurred by foreigners during the revolution shall be paid out of loan proceeds; otherwise the loan will not be listed in Paris. The Minister of Finance disclaims authority to negotiate on the subject, and also refuses to accept the provision in the contracts for foreign auditors and foreign supervisors for salt gabelle. The bankers referred both questions to their six Ministers, who met this afternoon. Suggestion was made at the meeting that the amount of the revolutionary claims was not known; that many were doubtless exaggerated or without merit; that the question of liability in many cases was involved; that the amount of the proposed loan was not sufficient for claims and other pressing necessities; therefore the Chinese cannot be expected to make commitment on the subject at this time. Finally the French and Japanese Ministers were

[1] In this connection see "Claims of American citizens against China," telegram of December 31, 1912, p. —.

appointed a committee to discuss both questions with the Minister for Foreign Affairs with a view to making some arrangement for recognition of general principle of liability for claims and possibly for the appointment of an international commission to pass thereon and also for a commitment to the Ministers upon the subject of auditors and supervisors wherein their duties and authority will be specified. If this plan succeeds—which is doubtful—it is proposed to accept it in lieu of any provision therefor in the loan contract.

CALHOUN.

File No. 893.51/1220.

The American Chargé d'Affaires at London to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
London, January 7, 1913.

The following urgent memorandum from the Minister for Foreign Affairs just received. I respectfully request an early expression of your views since I am informed that a meeting of the representatives of the six groups is to take place here in a few days.

LAUGHLIN.

[Memorandum.]

The British Foreign Office to the American Embassy.

The United States Government are aware that at a meeting of the representatives six international financial groups held in London December 13–14, 1912, a draft agreement for a loan to the Chinese Government of £25,000,000 for reorganization purposes was considered.

In connection with the preference as suggested by the Chinese Minister of Finance with respect to the price on definite industrial enterprises to be specified for under Article 17, it was proposed by the groups to eliminate industrial loans from this clause of the draft agreement and to claim a preference merely for Government financial loans until the purposes contemplated under Article 2 of the agreement are completed. With this object in view it was further suggested that in addition to a general preference clause as in former agreements the following should be inserted:

After the issue of the present loan of £25,000,000 and for a period of two years, should the Chinese Government proceed to issue a supplementing loan for the purposes specified in Article 2 of this agreement, or of other Government financial loans, a preferential right is granted to the six groups at blank per cent under the average price of the present loan, and this preference shall apply even for a further period as regards future loans secured on the salt gabelle. In any case, the Chinese Government will not, for a period of six months after the issue of the present loan, proceed with the issue of any other Government loan, or industrial loan with the guarantee of the Chinese Government, without the consent of the six groups.

In reply to these proposals the groups' agents in Peking reported that the Minister of Finance objected to any time limit, but was prepared to accept the following article:

In the event of the Chinese Government desiring to issue further loans secured on the salt revenue or a supplementary loan for purposes of the nature specified in Article 2, preference will be given to the banks on the same terms of commission as those of the present agreement. The Chinese Government further undertake, for a period of six months after the issue of the present loan, not to issue any other loan concluded later than December 1, 1912, without previous agreement with the banks.

This stipulation would, however, admit the issue of the loan provided for in the agreement signed at Peking on September 24, 1912, for the construction

by a Belgian company of a railway from Lanchow to Haichow.[1] This loan was to be for an amount of £10,000,000, a sum which would doubtless not be forthcoming from Belgium and would therefore have to be obtained, at any rate in part, elsewhere. It would seem unfair that any one of the powers of the sextuple group should profit by the abstention of the rest, and it would seem reasonable that there should be some understanding amongst the six allied powers with regard to a concession which was the direct outcome of the policy they have pursued in common since their declaration of the ninth July last year.

His Majesty's Government would therefore propose that the six Governments should pledge themselves to refuse their support to any of their nationals who might propose to finance this loan. This would probably in practice entail the cancellation of the contract and its internationalization by its being handed over to the groups on payment of compensation.

FOREIGN OFFICE,
London, January 7, 1913.

File No. 893.51/1220.

The Secretary of State to the American Chargé d'Affaires at London.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, January 9, 1913.

Chinese loans; your telegram January 7. The Belgian railway concession was taken up last October with the French Embassy here, with the intimation that this was business which, under the intergroup agreement, should be offered for participation by the six groups because of the identity of the French interests concerned. The French representative appeared to take this as a matter of course. The Legation at Peking at the same time advised the Department that the local representative of the Russian group, with which it is understood the Belgian concessionaires are affiliated, had given out that the Belgian contract would result in no conflict with the six groups, but on the contrary all interests would be taken into the new venture. The Department is not aware that any independent American capital is interested in this loan and considers it extremely unlikely that any will be. It therefore prefers to reserve its opinion as to the understanding proposed by the British Government until the two powers still more directly interested have expressed themselves.

KNOX.

File No. 893.51/1246.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Peking, January 21, 1913.

The President today informed me that China is in immediate urgent need of funds which the sextuple group will not advance and

[1] Officially known as "The £10,000,000 sterling five per cent gold loan of 1913 of the Government of the Chinese Republic for the Lung Tsing-U-Hai Railway"; the construction company is the Compagnie Générale de Chemins de Fer et de Tramways en Chine. For text of agreement see File No. 893.51/1419.

that therefore he must look elsewhere. The end of the Chinese year is approaching when accounts must be settled. The troops are largely unpaid. Provincial notes issued in large amounts are at heavy discount and there is considerable fear that the President may not be able to preserve order without funds.

CALHOUN.

File No. 893.51/1253.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Peking, January 23, 1913.

As reported in my telegram of December 31,[1] after the verbal agreement made by the Chinese Government with the French and Japanese Ministers in reference to liability for damages and appointment of foreign advisers, and while awaiting written confirmation of its terms by the Foreign Office, the Minister of Finance insisted that the groups make an advance of £2,000,000 this month to carry the Government over the Chinese New Year. The groups, under instructions from London, refused to make advances until the issue price was agreed upon and negotiations between the six Ministers were satisfactorily concluded. The Foreign Office then wrote the six Ministers a note saying that the accepted liability for damages was limited to such as were incurred in the zone of military operations; and as to appointment of advisers, when the time came the six Ministers would be privately informed as to their names, duties and powers. This was not satisfactory to the Ministers but the French Minister assumed a very aggressive attitude and said his Government would not approve the loan unless the contract was first submitted to it for its approval and the French advisers were named and their powers prescribed by the interested Powers. He also intimated that the nationality of the appointees should be proportionate in number to the issue of bonds made in the respective countries. The Russian supported the French, and the Russian bankers reported that the issue price must be varied in the several countries and intimated that the loan would not be internationalized. The Minister of Finance then sent a note to the groups saying that as the latter would not agree to make the advance required he was compelled to get money elsewhere, and broke off the negotiations. The British and German Ministers thereupon both said their interests in the country were too great to be jeopardized either by the loan going to pieces, or by the intrusion of other finance elements, and their respective bankers have gone to the Chinese and notified them they will make the advance required and are prepared to accept the contract as it now stands, independently of the other members of the groups.

If this ends the consortium I suggest that our country recognize the Chinese Government at once.

CALHOUN.

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[1] See "Claims of American citizens against China," p. 204.

File No. 893.51/1253.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, January 24, 1913.

The Department learns from the American group that the consortium is not threatened by the proposed advance to be made independently by the British and German bankers, but that this advance if made would be open to participation by the other groups as required by the quadruple and sextuple inter-group agreements.

KNOX.

File No. 893.51/1258.

The American Ambassador to France to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Paris, January 26, 1913.

It is claimed by the six banking groups that at the time Russia and Japan were admitted it was agreed that the Chinese loan should be internationalized. I am unofficially informed that the French Minister of Finance objects to internationalization. I understand from the German Ambassador that he is disposed to represent to the Minister for Foreign Affairs the importance of French agreement to internationalization but awaits instructions from his Government before acting. British Ambassador will also act if instructed. Does the Department desire me to make representations in support of either or both?

HERRICK.

File No. 893.51/1259.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Peking, January 27, 1913.

The French Minister has received instructions revoking his former instructions. All group representatives have signed a letter to the Minister for Foreign Affairs on the question of advances, adopting to some extent amendments to contract.

CALHOUN.

File No. 893.51/1259.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, January 27, 1913.

Your telegram January 27. Do the French Minister's new instructions alter his position as to the engagement of foreigners as well as to the question of advances?

Should a declaration of its position become necessary, the Department, while placing the greatest importance upon concerted action by all the interested powers, would regret the introduction of any new political question at this time and would be satisfied with any definite agreement on the understanding that, in your opinion and that of a majority of the interested Ministers, the agreement as to the duties and powers of the foreign employees adequately assures the maintenance and effectiveness of the service. You may act accordingly.

KNOX.

File No. 893.51/1258.

The Secretary of State to the American Ambassador to France.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, January 28, 1913.

Your telegram January 26.

You may join your British and German colleagues in asking French Foreign Office to agree to internationalization of the Chinese reorganization loan which the Department understands was promised at the Paris conference in June last.

KNOX.

File No. 893.51/1264.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Peking, January 29, 1913.

Your telegram January 27. I do not know the nature of French Minister's new instructions except by inference. The fact that the Minister had previously given us a paraphrase of his instructions requiring six general advisers, and has now authorized his banker to sign a letter promising advance with advisers limited to service of loan, tended to confirm report that his former instructions were revoked. He has not since conferred with his colleagues.

CALHOUN.

File No. 893.51/1267.

The American Ambassador to France to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Paris, January 30, 1913.

The German Ambassador claims that an agreement to internationalize Chinese loan was made two years ago and strongly urged adherence to the agreement. I have seen the Minister for Foreign Affairs and argued that since internationalization would make se-

curities more liquid and valuable for all groups, and since French group strongly urged internationalization, the Minister of Finance should withdraw his objection. The Foreign Minister finally admitted that the real reason was fear of Chamber of Deputies' refusal to consent on account of Germany. British Ambassador protested against French demand for six foreign advisers as contrary to original plan. I said that I thought insistence on six foreign advisers might cause failure of loans. The real cause of the refusal, I believe, is Russia.

HERRICK.

File No. 893.51/1296.

The American Chargé d'Affaires at London to the Secretary of State.

No. 2203.] AMERICAN EMBASSY,
London, January 31, 1913.

SIR: I have the honor to enclose herewith a copy of a Foreign Office memorandum which, after reciting the decisions arrived at by the bankers conference, states that His Majesty's Government fully approve them and would be glad to learn whether the Government of the United States is willing to come to an agreement with the British Government embodying the proposed conditions to govern future industrial loans made by the nationals of the two countries with the Chinese Government.

LAUGHLIN.

[Inclosure—Memorandum.]

The British Foreign Office to the American Embassy.

As the United States' Government are doubtless aware, the conference of the six-power group formed to negotiate the Chinese reorganisation loan agreed, at its meetings of the 10th and 11th instant, subject to the approval of the French syndicate: (*a*) that the restrictions in Article 2 of the sextuple agreement shall no longer apply to industrial and railway loans, which shall be open to free competition subject to such conditions as the Governments of the six powers may jointly approve for loans by their nationals; (*b*) that the British group should approach their Government with a request that proposals be made to the other Governments concerned as to the conditions to be jointly imposed upon their nationals in competing for industrial loans on the following lines:

(I) The six Governments shall agree not to support their nationals in any undertaking not conforming to conditions to be agreed on;

(II) For the protection of investors, the conditions should provide proper guaranties for the payment of principal and interest;

(III) Control over expenditure of the proceeds of the loan in order to prevent the Chinese Government receiving, either by deposit or otherwise, money free from control;

(IV) The concession to be subject to the approval of the Legation concerned, and approval to be withheld unless the conditions are fulfilled;

(V) Detailed conditions to be drafted by the Legations at Peking in communication with the representatives of the groups there.

His Majesty's Government fully approve the above decisions arrived at by the conference, and would be glad to learn whether the United States Government are willing to come to an agreement with them embodying the proposed conditions to govern future industrial loans made by their nationals with the Chinese Government.

FOREIGN OFFICE,
January 29, 1913.

File No. 893.51/1274.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Peking, February 4, 1913.

The Chinese Government today informally notified the six Ministers of the following appointments: Oiesen, a Dane, chief salt inspector; Rumpf, a German, director foreign loan bureau; and Rossi, an Italian, advisor to audit department. First named reported good character and ability; second known by and acceptable to bankers; third now member Italian Parliament, recommended by Italian Minister. The first position is important to the security pledged for the loan; the second relates to expenditure of loan proceeds; the third is not directly connected with the loan but is of general importance.

The six Ministers met this evening and I said rehabilitation of China's finances and improvement of her revenues being the most important matter, I would accept the nominations made; or, in view of the fact that a German was already nominated, I would accept a representative of France and of England for the two remaining places. I was indifferent to nationality of appointees if good men. French and British Ministers naturally accepted suggestion. Russian Minister objected; said his Government had largest proportion of Boxer indemnity secured on salt revenue and therefore was entitled to representation in its administration. Finally we agreed to submit to our Governments the question of nationality of these appointees. Please instruct.

Emergency again approaches wherein British and Germans may break off and make advance which the Chinese sorely need.

CALHOUN.

File No. 893.51/1274.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 4, 1913.

Your February 4, as to nationality of advisers. The Department fully approves your position and will accept either solution suggested by you at the conference. If immediate settlement cannot be reached, urge postponement of discussion of nominations in order that advances may not be delayed. The Russian demand seems untimely and unreasonable.

KNOX.

File No. 893.51/1278.

The British Ambassador to the Secretary of State.

BRITISH EMBASSY,
Washington, February 5, 1913.

SIR: As you are doubtless aware, the Ministers of the six powers at Peking, at a meeting held, I understand, on February 4th, agreed to

submit to their Governments a proposal for the allotment of foreign advisers to the Chinese Government. According to this proposal the director of national loans is to be of German nationality: the chief salt inspector, British; and of the two associated directors of the audit and accounts department one is to be French and the other Russian.

His Majesty's Government have consented to this arrangement and have so informed His Majesty's Minister at Peking. I am instructed to express the hope that your Government may also see its way to give its consent and that you may be able to advise the American representative at Peking accordingly at the earliest possible moment. The time for action is very short since I understand that if a decision is not arrived at by the Chinese New Year (February 6) the Chinese Government will be forced to seek financial assistance elsewhere.

I have [etc.]

JAMES BRYCE.

File No. 893.51/1278.

The Department of State to the British Embassy.

[Memorandum handed to Lord Percy of the British Embassy in confirmation of oral statement made to him in Division of Far Eastern Affairs when he presented Embassy's note of February 5, 1913.]

The American Minister at Peking was advised last night that the State Department would accept the three nominations made by the Chinese or as an alternative the proposal that a Britisher, a German and a Frenchman be named for the three posts in question.

The Department has not approved of the proposal for two advisers for the audit department, one French and one Russian, of equal rank and authority.

The Department has also instructed Mr. Calhoun that if an immediate settlement cannot be reached he should urge a postponement of the discussion of nominations in order that advances be not delayed.

File No. 893.51/1282.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Peking, February 9, 1913.

No change in the situation. Bankers doing nothing. Ministers reticent, apparently awaiting instructions. Chinese received £750,000 Crisp loan, being advance on payment due February 15. This gives relief for the present. Prior to meeting of February 4 it was understood that the Chinese would name the Dane and the German. Ministers and bankers alike awaited such action. Within the last day or two I have noticed change in British Minister, who shows preference for appointees from nationals making loan on the ground it is necessary for latter to have direct support of Legations interested in loan service. His present attitude is apparently in accord with French and Russians. German Minister privately says that if British have

both customs and salt administration it will give them undue influence; he also suspects French and Russian purpose is to force a situation that will make rupture with the Chinese inevitable and thereby terminate consortium; that British, French and Russians will then make new alignment excluding Germans and Americans but allow Japanese to trail along. This will secure French market and extend triple entente to China. There is much in the situation to justify belief that a big diplomatic game is on which may or may not be reflected here.

CALHOUN.

File No. 893.51/1337.

The Secretary of State to the American Ambassador to France.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 9, 1913.

Ascertain what information the Foreign Office has as to the status of the Chinese loan question. Last reports indicate negotiations at Peking are at a standstill over the appointment of foreign advisers. This Government is willing to accept the three nominations made by the Chinese Government, or appointees exclusively from the lending powers, but considers an immediate settlement of first importance.

Repeat to London and Berlin.

KNOX.

File No. 893.51/1282.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 10, 1913.

Your February 9.

On February 5 the British Embassy notified the Department that the British Government had consented to an arrangement for the appointment of foreign advisers according to which the director of national loans was to be German, the chief salt inspector British, and the two associated directors of the audit department French and Russian and asked this Government likewise to consent. In reply the Embassy was orally advised of the Department's instruction to you of February 4.

The Italian Embassy here also made inquiries and was advised as to our attitude. Beyond this there has been no exchange of views between this and other Governments, but the Department made inquiries on February 9 at London, Paris and Berlin as to the status of the loan question.

In endeavoring to effect an immediate settlement of this question, which is deemed by the Department as of first importance, you will bear in mind the Department's general instruction of January 27, wherein this matter was left largely to your discretion.

KNOX.

File No. 893.51/1337b.

The Secretary of State to the American Ambassador to France.

[Telegram—Paraphrase—Aide mémoire.]

DEPARTMENT OF STATE,
Washington, February 10, 1913—6 p. m.

Communicate at once the following aide mémoire to the Government to which you are accredited:

The American Government greatly regrets that the negotiations for the Chinese reorganization loan, which have consumed so much time and labor, should on the very eve of their successful consummation be threatened by the introduction of new and unexpected questions of a purely political nature. As has already been stated, this Government in the interest of an early adjustment of the question has been willing to accept as foreign advisers connected with the loan either the nominations made by the Chinese Government or nominees from the lending powers. In view, however, of the difficulties that have arisen as to appointments from the lending powers and the information it has just received of the unwillingness of the Chinese to accept the various extensive changes in the program that have been suggested, the American Government would suggest as a compromise solution that the original nominations of the Chinese Government to the posts of chief superviser of salt administration (a Dane) and director of the national loan bureau (a German) be accepted and that the interested Governments propose for the third post, that of director of audit department, a Frenchman. The American Government would point out that it has thus far made for itself no claims in this connection although the American group will issue on their own account their full share of the loan, preferring that the appointments be made on a basis of efficiency rather than of nationality. Should the number of advisers, however, be increased beyond the original three contemplated, this Government must reserve on behalf of its nationals all rights and privileges accruing to them under the terms of the sextuple agreement.

Repeat to London, Berlin, St. Petersburg for like action. Same to Tokyo to be repeated to Peking, for information.

KNOX.

File No. 893.51/1284.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Peking, February 10, 1913—10 p. m.

The present insistence of the French Minister on four appointees from nationals making loan, including two audit advisers, as reported in my telegram of February 4, is substitute for his former demand for six general advisers. He evidently expects foreign intervention in near future, in which event advisers named would constitute international commission for administration of China's affairs. At meeting of February fourth he suggested double appointment all around which included American but I took position reported in my telegram of February 4 and refused to be party to his proposals. I said I asked for no representation in loan appointments. The Japanese said he would support proposition if colleagues gave him moral support for adviser in another department, on theory American wanted no representation. The proposition was made today for French and Russian

auditors with British and German appointments. The Chinese, I am credibly informed, will never consent to proposed change. This may end both the negotiations and the consortium. In that event I prefer to occupy position I have taken; but if the other Ministers unite with the French Minister in demand for four appointees, shall I support them? Or, whether I do or not, is it necessary for me to safeguard American interests by notifying colleagues I reserve right for American adviser in other departments as do the Japanese?

CALHOUN.

File No. 893.51/1287.

The American Ambassador to France to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Paris, February 10, 1913—10 p. m.

Your Feb. 9. I learn from Foreign Office that, in reply to proposal the four foreign advisers should be: an Englishman at the head of the salt gabelle; a German in the foreign loan bureau; and a Frenchman and a Russian in the audit department. Germany notified France today that she wishes her adviser at the head of the gabelle. Foreign Office considers this a question between Germany and England. In my opinion the difficulties now existing would not appear to threaten disruption of loan.

HERRICK.

File No. 893.51/1288.

The American Ambassador to Germany to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Berlin, February 11, 1913—10 a. m.

German Government quite satisfied with Chinese proposal, but they have expressed willingness to accept French counter-proposal. Will advise further as soon as reply to German proposal is received.

LEISHMAN.

File No. 893.51/1289.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Peking, February 11, 1913—7 p. m.

German Minister instructed to ask British Minister to consent to a German for the salt administration. British when asked evaded direct reply. I said I would consent if others did.

CALHOUN.

File No. 893.51/1294.

The American Ambassador to Germany to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Berlin, February 12, 1913—4 p. m.

Your February 10, 6 p. m., reached me only last night. The German Foreign Office is disposed to view sympathetically the compromise suggestion contained in the Department's aide mémoire, but is inclined to believe that under existing conditions the safest way is to urge the sextuple group to accept the Chinese proposal. This view is apparently shared by the English, but they as well as their French friends have unfortunately been forced by ententes and alliances to support propositions quite contrary to their own ideas. Russia, with a view to furthering her own political plans, is no doubt responsible for existing complications and would doubtless be pleased to see sextuple group disrupted as she fears money may be used to strengthen China's position in Mongolia, and there are persistent rumors of China again being on the eve of making independent loans. The German Foreign Office, acting on a suggestion of the British Ambassador, whose Government had just declined to accept the German modification of French proposal, inquired whether our Government for the sake of harmony would be willing to step aside in the matter of currency-reform adviser in favor of a Frenchman, which might facilitate acceptance of Chinese proposition by sextuple group. I replied that it seemed to me dangerous to allow any new subject matter to enter into the case that might lead to further complications, and declined even to transmit such a proposition to the Department. But I added that in case the Imperial German Ministry should later assure me that the sextuple group had unanimously and unequivocally agreed to accept the Chinese proposition, with the single provision that the American Government agree to the appointment of a Frenchman as currency-reform adviser, I would recommend that plan to the Department. I beg to be further instructed.

LEISHMAN.

File No. 893.51/1293.

The American Chargé d'Affaires at London to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
London, February 12, 1913—5 p. m.

Aide mémoire presented today. I venture to say that the Foreign Office seems entirely inclined to your views towards settling representation on the loan in any of the ways suggested.

LAUGHLIN.

File No. 893.51/1295.

The American Ambassador to Germany to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Berlin, February 12, 1913—8 p. m.

Department's February 10, 6 p. m. German Foreign Office has decided to adopt the Department's compromise suggestion and will propose to the other members of sextuple group that the Chinese proposition be accepted providing that the Chinese Government is willing to substitute a Frenchman in the place of an Italian for the audit department.

LEISHMAN.

File No. 893.51/1311.

The American Ambassador to France to the Secretary of State.

[Extract.]

No. 273.] AMERICAN EMBASSY,
Paris, February 14, 1913.

SIR: Referring to the Department's telegram of the 10th instant, 6 p. m., containing, for immediate delivery to the French Government, the text of an aide mémoire relative to the appointment of foreign advisers to the Chinese Government in connection with the proposed international loan, I have the honor to inclose herewith a copy of the reply from the Foreign Office.

I have [etc.]

MYRON T. HERRICK.

[Inclosure—Translation.]

FOREIGN OFFICE,
Paris, February 12, 1913.

In a note of yesterday, February 11, the Ambassador of the United States was pleased to make known his sentiment as to the advantage there would be, from the American Government's viewpoint, for the purpose of expediting the conclusion of the Chinese reorganization loan, in accepting the three advisers nominated by the Chinese Government with the reservation that the first two being a Dane and a German, respectively, the third one should be a Frenchman; an increase in the number of advisers would involve a claim of the United States in behalf of its nationals.

The French Government, which is not seeking exclusive advantages and never ceased to look upon the Chinese loan question in the light of the accord of the six powers and the interest of all, that is to say with the condition that real guaranties for the lenders and efficacious supervision of the disbursements should be secured from China, does not change its position, though it is ready to accept any method that would not affect the merits of the case.

In order to secure the guaranty and supervision that the powers unanimously demand, it is necessary and sufficient that the foreign advisers' appointment be agreed upon by the powers and China, and that their powers be clearly defined in an incontestable instrument. It is logical, on the other hand, that the advisers should belong to the lenders' nationality and that, in order to prevent difficulties among the six powers, the offices to be filled should number six, in which the Chinese Government has repeatedly declared itself disposed to concur. If the six Legations would arrive at an agreement on these very simple principles without discussing beforehand the distribution of the six officers, the Chinese

Government would soon adopt them, as it is not practically in position to procure, outside of the consortium, the funds it urgently needs.

Admission of the Chinese Government's pretension to select and appoint advisers, whether or not qualified, without assuming any precise engagement as to their powers, would in truth be tantamount to a failure of the six powers' policy.

The essential principles once settled, the French Government has assented and continues ready to assent to any combination that may be proposed.

The latest, put forth by the Minister of the United States at Peking, consisted in proposing to the Chinese Government advisers belonging to the nationality of the lending powers (neutrals being no better qualified and less able to enforce observance of the Chinese engagements); the contract as offered by the groups implying the appointment of three advisers connected with the loan, the said advisers would be selected in the order of the quotas of the loan issue, that is to say: France, England, Germany, it being understood that the Legations would later endeavor to obtain from the Chinese Government three other adviserships in the departments, in accordance with the propositions that might be offered, which office would be assigned, in order, to the United States, Russia, and Japan.

The American proposition was adopted by the other five concerned with an amendment providing that a fourth office of adviser should be asked in behalf of Russia, which invoked a formal engagement on the part of the Chinese Government in connection with the 1895 loan. The six Legations having thus reached an agreement, reported to their Governments; the English, French, Japanese and Russian Governments have accepted the distribution (an Englishman in the salt administration, a German in the loan bureau, a Frenchman and a Russian in the audit department); the German Government has expressed a desire to have the German adviser placed in the salt administration rather than in the loan bureau, which is a question that may be arranged through an agreement between the two countries concerned, England and Germany.

If the Government of the United States would also concur in the above stated propositions, the six Ministers of the powers at Peking could shortly resume with China the interrupted pourparlers and secure from her the supervision of the security and disbursements which from both the financial and political standpoint constitute the indispensable condition of the reorganization loan.

File No. 893.51/1301.

The American Ambassador to Russia to the Secretary of State.

[Telegram—Paraphrase—Aide mémoire.]

AMERICAN EMBASSY,
St. Petersburg, February 15, 1913—4 p. m.

Department's February 10, 6 p. m. Ministry of Foreign Affairs replies as follows:

By an aide memoire of January 30/February 12, 1913, the American Embassy proposed to the Imperial Government, as a compromise, that the number of foreign advisers which will be appointed in China in connection with the agreement in regard to the reorganization loan should be limited to three, of which the post on the board of the salt monopoly should be offered to a Dane, in the loan bureau to a German, and in the control department to a Frenchman.

In all the negotiations connected with the Chinese reorganization loan the Russian Government has always had in view the purpose of establishing a control over the finances of China, which are at present in a state of confusion. The numerous interests which Russia has in China and her rôle of one of the chief creditors of that country fully justify similar position taken by us in this question.

It is obvious that such control can be effective and successful only if the foreign advisers who are to take charge of it are appointed by the interested powers, not by the Chinese Government, which has always known how to deprive foreign officials in its service of all influence in current affairs. On the other hand when the loan of 1895, guaranteed by Russia, was concluded, the

Chinese Government informed the Russian Government that it would not give any foreign power any rights or privileges of any kind relative to the supervision of the finances of China or the management of such if such rights were not likewise extended to Russia (St. Petersburg declaration June 24/July 6, 1895; article 4). The Imperial Government therefore does not see any reason why it should relinquish the right guaranteed to it by the said declaration, namely to have a Russian adviser in the financial management of China if the representatives of other powers are to take part in it.

In view of these considerations the Russian Government promised to support a project which was approved by the conference of the Ministers concerned in Peking on the initiative of their French colleague to the effect that the appointment in China of four foreign advisers be insisted upon, of which one Russian and one Frenchman should be in the control department, leaving the choice of an adviser in the salt monopoly to England and in the loan department to Germany.

The Imperial Government has no doubt that if the interested Governments will agree between themselves in regard to submitting this combination to China, the Government of the latter, whose pecuniary difficulties are increasing hourly, will not be able to avoid foreign control over the expenditure of money and the security of loans, the necessity of which is unanimously admitted in the interests of the creditors of China as well as in those of the country itself.

The delayed payments in connection with the "Boxer renunciation" could serve as the means of pressure on China for this purpose, as the powers could demand that any loan concluded by China outside the six-power group should serve first of all to pay these arrears; and they could propose to the Chinese Government a delay of these payments only in case it should agree to the appointment of those advisers which will be suggested to it.

Shall I ask if by the above it is intimated that Russia would object to advisers from all six powers of which one should be American?

GUILD.

File No. 893.51/1301.

The Secretary of State to the American Ambassador to Russia.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 17, 1913—5 p. m.

You need not raise the question you suggest in your February 15, 4 p. m.

KNOX.

File No. 893.51/1303.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Peking, February 17, 1913—10 p. m.

At a meeting of the six Ministers today, all proved to be instructed, except the German Minister and myself, to support British for salt, German for loan director, French and Russian for audit advisers. French Minister said his Government desired to add currency reform to the duties of French audit adviser. British Minister asked that this request be not now pressed. French Minister withdrew from then on. German Minister, being pressed to say whether he approved four appointments, said that his Government favored Chinese schedule except that Frenchman might be substituted for Italian. Beyond that he had no instructions. I was asked to declare

my position. I replied I had regarded loan as a financial transaction only; that I favored Chinese appointments but because latter were not satisfactory to my colleagues I suggested alternative proposition reported in my telegram of February 4, and that I still adhered thereto; when they sought to create extra places for other nationals it gave loan a political cast which I much regretted. I was not prepared to say what the attitude of my Government will be. I said further, as they were creating positions for the possible political exigencies, I reserved right of representation therein for my Government if it wanted same. They all consented. French Minister said he had assurances from Chinese they will accept pending proposition; British and Japanese confirmed. It is evident from [this] that the powers have agreed to stand on this proposition. British have broken with Germans and joined Russians and French and brought Japanese along. German will probably come in. Shall I favor or oppose any appointments above specified?

We are confronted with a situation wherein we must join or go out of the consortium. In consenting thereto I am influenced only by the desire to save China. The political conditions are bad and threaten peace of the country. I believe the other Ministers think intervention in some form is inevitable. This loan may save the country.

CALHOUN.

File No. 893.51/1303.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 17, 1913—6 p. m.

You may approve on the understanding stated in your telegram of February 17, 10 p. m, namely, that the proposed arrangement is satisfactory to your colleagues, that the Chinese have expressed their willingness to accept, that the loan is absolutely essential to China, and that you have made all necessary reservations as to the rights of this Government and its nationals.

KNOX.

File No. 893.51/1303.

The Secretary of State to the American Ambassador to Germany.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 17, 1913—6 p. m.

Inform the Minister of Foreign Affairs that this Government, having found no support except from the German Government for its recent compromise proposal relating to foreign advisers connected with the China loan, has in reply to renewed urgent representations from its Minister at Peking authorized him to approve the proposal of four advisers which had already been accepted by all his colleagues except the German Minister, and which the Chinese have expressed their willingness to accept.

KNOX.

File No. 893.51/1306.

The Secretary of State to the Italian Ambassador.

[Memorandum.]

The Department of State notes the suggestion of the Italian Government communicated in the memorandum of February 16th,[1] that the Federal Government cooperate to support the nomination of Mr. Luigi Rossi as one of the foreigners to be employed by China in connection with the reorganization loan, which nomination the Italian Embassy remarks the Russian Government would be disposed to support and adds at the same time an expression of the opinion that the nomination of a delegate from a country not interested in the six-power loan would appear to afford a substantial guaranty of impartiality in the work of ameliorating the financial condition of China.

The Department of State would be very happy to give the most sympathetic consideration to this suggestion if the present circumstances were such as to make possible its favorable consideration. At the beginning of the discussion of the foreign personnel to be employed in connection with the reorganization loan the Government of the United States expressed itself as satisfied with the original Chinese proposal, namely, the nomination of a Dane, a German, and an Italian. It was found with regret, however, that this plan encountered difficulties due to the conflicting claims of different Governments, thus unfortunately injecting into the situation semipolitical considerations fruitful of delay. Lately the discussion has proceeded rather rapidly and a number of counter proposals have been made. While reserving in the premises all rights and notably those in relation to the appointment of its own nationals, the Government of the United States has expressed willingness to accede to whatever decision should be agreeable to the Chinese Government and acceptable to the other powers interested in the loan within certain limits due to a reluctance to overburden the Chinese Government with the employment of unnecessarily numerous persons and certain other considerations.

Having assumed this position and refraining up to the present from insistence upon the employment of one of its own nationals, the Italian Government will readily perceive that the Government of the United States could not at this juncture well make a point of the employment of a national of any other country and thus run the risk of itself participating in the prolongation of a discussion which it has been sorry to see injected into a situation where the paramount desideratum is the consummation of the loan which is expected will redound alike to the advantage of China and to that of all other powers commercially interested in that country.

DEPARTMENT OF STATE,
Washington, February 18, 1913.

[1] Not printed.

File No. 893.51/1340.

The Russian Ambassador to the Secretary of State.

[Memorandum handed to the Secretary of State by the Russian Ambassador, February 19, 1913.]

The Chinese Government has notified the representatives in Peking of the six powers participating in the loan consortium of its intention to choose in connection with the reorganization loan the following foreign advisers: For the salt monopoly, the Dane Oiesen; for the control department, the Italian Rossi; and for the bureau of loans, the German Rumpf.

This proposition, however, did not meet with the unanimous approval of the six Envoys of the interested powers, who decided to recommend to their respective Governments the following scheme: an Englishman for adviser in the salt monopoly; a German for the bureau of loans; the control department to be provided with two advisers: one Russian and one Frenchman, invested with equal rights; and furthermore to compensate Russia and France by appointing a greater number of their respective subjects as district inspectors in the salt monopoly.

The Imperial Russian Government considers the above-mentioned scheme suggested by the representatives of the six interested powers to be satisfactory as far as its own interests are concerned, but would like to know, before instructing in this sense the Russian Minister in Peking, the point of view of the Federal Government in regard to this matter.

File No. 893.51/1339.

The Russian Ambassador to the Secretary of State.

[Memorandum handed to the Secretary of State by the Russian Ambassador, February 19, 1913.]

The Imperial Russian Government considers that it would be to the benefit of China and to the interest of her creditors, among whom Russia occupies a prominent place, to have a control established over the Chinese finances.

It seems of first necessity, however, that this control, to be efficient and not a mere formality, should be confided into the hands of foreign advisers chosen by the powers and not by the Chinese Government, who would easily deprive those advisers of all real influence as has been proved by past experience.

Furthermore the Russo-Chinese declaration, signed in St. Petersburg in 1895, stipulates that China should not invest any country with rights of supervision of any branch of her revenue without extending the same rights to Russia.

Therefore the Imperial Government insists that Russian subjects should be included in the number of foreigners who will have to serve the Chinese Republic and has already given its support to the scheme suggested by the representatives of the six interested powers in Peking, who proposed the nomination of four foreign advisers. The

Imperial Government believe that this scheme, if endorsed by all the interested powers, would certainly be accepted by China. At the same time, in order to prevent the Chinese Government from contracting a new loan not subject to the above-mentioned conditions of control, the Imperial Government recommends that the powers should claim that the effective sums raised by such new loan should be employed in the first line to cover the remainder of the Boxer indemnity.

File No. 893.51/1342.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 20, 1913—6 p. m.

Owing to uncertain political and financial conditions here in the near future, the American group is seriously contemplating withdrawal from the present loan negotiations unless the contract is signed without further delay. Report fully upon the possible cause of delay and the prospects of early signature.

KNOX.

File No. 893.51/1309.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION.
Peking, February 21, 1913—7 p. m.

Your February 20, 6 p. m. Latest development was meeting of Ministers on the 19th, called to hear answers of German Minister and myself to proposed plan reported in my telegram of February 17, 10 p. m. I expressed assent on conditions named in your telegram February 17, 6 p. m. German Minister said he was instructed to support Chinese nominations, and expressed great dissatisfaction with proposed plan; he thought German financial and commercial interests here justified more important post than one offered Rumpf, the duties of which were temporary; Russian Minister then recommended position of Rumpf be made permanent with enlarged powers. British Minister assented and recommended another office be created called deputy inspector general of salt gabelle and that a German be appointed thereto. German Minister manifested no sympathy with counter proposals offered him, but said he would ask for specific instructions. Today he informs me his Government is again in communication with the British Government. Everything indicates a readjustment of relations of England, France and Russia on lines of triple entente; otherwise complete volte face of British cannot be explained.

As to what China will do, reports differ. If Yuan attempts to put through loan contract as modified by foreigners' demands, without the consent of National Council, then opposition may grow into disorders approaching civil war. I believe Russian motive is un-

friendly to China and has for its immediate purpose the enforcement of Mongolian demands. The French are cooperating with Russia and together they have forced England into line. The outlook is such that there can be no hope of early signature. To my mind it is no longer a question of friendly international cooperation to help China but a combination of big powers with common interests to accomplish their own selfish political aims.

CALHOUN.

File No. 893.51/1309.

The Secretary of State to the American Chargé d'Affaires at London.[1]

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 23, 1913—10 p. m.

The Department understands that the present halt in China loan negotiations is due to renewed discussion between Great Britain and Germany regarding adviser for salt gabelle. Ascertain and report promptly views of Foreign Office as to prospects early signature of loan.

KNOX.

File No. 893.51/1315.

The American Chargé d'Affaires at London to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
London, February 24, 1913—6 p. m.

Your Feb. 23, 10 p. m. Germany has not yet replied to the last British proposals and the Foreign Office will probably make another communication unless an answer is received within the next few days. The Foreign Office seem today inclined to regard the signature of the loan as likely to be indefinitely postponed because of the German attitude.

LAUGHLIN.

File No. 893.51/1317.

The American Ambassador to Germany to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Berlin, February 25, 1913—4 p. m.

Department's February 17, 6 p. m. and February 23, 10 p. m. German Foreign Office is awaiting the reply of British Government regarding appointment of German deputy inspector of salt gabelle at Shanghai, and is inclined to view the various proposals as mere subterfuges to cause delays with a view to eventually forcing foreign

[1] Same to American Embassy, Berlin.

control in all departments. Advices received from German Minister at Peking indicate that the Chinese Government never definitely intimated its willingness to accept original French proposal and consequently not apt to accept extended form now under consideration. Reports have reached Foreign Office that the American group has recently decided not to issue their full quota as stated in Department's telegram February 10, 6 p. m. This if true would be very regrettable, as it would place the Government as well as American banking group in a position of inferiority.

LEISHMAN.

File No. 893.51/1340.

The Secretary of State to the Russian Ambassador.

[Aide Mémoire.]

In the two memoranda handed to the Department of State on the 19th of February the Imperial Russian Government expressed a desire to know the views of the Government of the United States as to the proposal of the Ministers of the six powers at Peking with reference to the appointment of foreign advisers in connection with the reorganization loan. According to this proposed arrangement, the chief inspector of the salt revenue is to be an Englishman; the director of the national loan bureau, a German; and the advisers to the accounts and audit department, a Russian and a Frenchman. In expressing appreciation of the courtesy of the Imperial Russian Government in placing its views so fully and frankly before the Department, this Government is happy to state that on February 17 the American Minister at Peking was instructed to inform his interested colleagues of the readiness of this Government to accede, within certain limits due to a reluctance to overburden the Chinese Government with the employment of unnecessarily numerous persons, to the above-mentioned arrangement, should it be agreeable to China and acceptable to his colleagues. This Government also reserved in the premises all rights, notably those in relation to the appointment if its own nationals.

As to the recommendation of the Imperial Russian Government that the powers should claim that the proceeds of any new loan contracted by China and not subject to the generally accepted conditions of control should be employed first of all to repay any unpaid balance of the Boxer indemnity, this Government could not but regret the injection into the situation at this juncture of any new considerations which might be fruitful of further delay in the consummation of the loan which is expected to result alike to the advantage of China and of all other powers commercially interested in that country and begs, therefore, to reserve an expression of opinion until apprised of the views of the other Governments and of the various financial groups.

DEPARTMENT OF STATE,
Washington, February 26, 1913.

File No. 893.51/1309.

The Secretary of State to the American Chargé d'Affaires.

DEPARTMENT OF STATE,
Washington, February 27, 1913.

SIR: The present situation in Peking as reflected in the Legation's telegram of February 21, 7 p. m., seems to the Department to call for a renewed expression of its views for your guidance.

Your previous instructions will have made clear to you that the Department has greatly deprecated the apparent introduction of political issues into the loan negotiations. Its sole aim has been, in pursuance of the uniform policy of this Government toward China, to assist the latter in procuring, without undue embarrassment, the funds required at this critical period for reorganization and rehabilitation. As you are well aware, experience has shown the wisdom of surrounding such loans to China with adequate safeguards of supervision, not only as a reasonable measure of protection for the interests of the lenders and of the ultimate bondholders but also as a necessary means of upholding China's credit and avoiding the possible consequences of default in her financial obligations, which are already pressing. The Department has, however, consistently held that the Chinese Government must be left free to accept or decline a loan on the conditions proposed, and the American group of bankers interested in the loan negotiations have likewise held the same views.

The Legation was accordingly instructed on February 17 to approve the proposal then under consideration as to foreign advisers connected with the loan on the understanding that, as represented in the Legation's telegram of the same date, the Chinese Government had already expressed its acceptance of the proposal and that the loan was of vital necessity to China. You should make it clear to your colleagues, as occasion may require, that this Government, while continuing to insist upon what it considers reasonable and general measures for the protection of the interests of all its nationals, including adequate guaranties for the lenders and efficient supervision of disbursements, is not prepared to join in any coercive steps designed to compel China's acceptance either of the present loan or of any particular proposal as to advisers.

A careful review of the whole correspondence on this question leads the Department to believe that the difficulties in the way of the loan negotiations may not be as serious as some of the reports, taken by themselves, would seem to indicate. As a matter of fact, the points still at issue so far as the Governments are concerned seem to be reduced to the one question of the chief adviser to the salt gabelle, which lies between Great Britain and Germany alone and which those two Governments are making serious effort to solve. The suggestion of ulterior motives and deliberate efforts to impede the negotiations, referred to in certain reports, do not seem to be borne out by an impartial examination of the correspondence as a whole. On the contrary, the statement of the position of the Governments as contained in the inclosed memorandum from Paris[1] seems eminently practical, candid, and convincing. Under the circumstances, therefore, while it

[1] See ante, inclosure in Mr. Herrick's No. 273, February 14.

is quite possible that the completion of these peculiarly intricate negotiations may yet require considerable time, the Department is convinced that the only consistent course just now open to this Government is to maintain the position it has so deliberately assumed and, while awaiting results, to make from time to time such opportune suggestions as may commend themselves or may be recommended by your Legation.

I am [etc.] P. C. KNOX.

File No. 893.51/1326.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION.
Peking, February 28, 1913—4 p. m.

Legation's telegram of February 17, 10 p. m., and your reply of February 17, 6 p. m.

The British Minister yesterday informed me that the German Government had made suggestions which the British Government had definitely declined because they had no bearing on the loan. The Minister believes the British Government will not wait much longer but will conclude the loan in cooperation with such of the groups as are desirous of participation. He said that when the Chinese Government saw the money available they would accept; that Konovalof, already in the Chinese customs, would be the Russian appointee to whom China could not well object.

Am I authorized, provided the Chinese Government accepts, to agree to appointment of German assistant inspector general of the salt gabelle and in proposal to make the post of German director of the bureau of loans permanent with added powers?

WILLIAMS.

File No. 893.51/1326.

The Secretary of State to the American Chargé d'Affaires.

[Telegram.]

DEPARTMENT OF STATE,
Washington, February 28, 1913.

Your February 28, 4 p. m. Yes.

KNOX.

File No. 893.51/1336.

The American Group to the Secretary of State.

NEW YORK, *March 5, 1913.*

SIR: Referring to the Chinese loan negotiations upon which this group entered originally at the request of the Department of State, and in which we have continued with its approval and under its direction, as indicated in letters of the Secretary of State dated February 20th and February 26th, 1913, we would respectfully request that you

will let us know your wishes as to the future conduct of these negotiations.

If a personal conference is desired, we shall arrange to meet any appointment which you may be pleased to make.

We deem it our duty to call to your attention the fact that as shown by the records of the Department, the present condition of the negotiations for the reorganization loan is such as to require very early attention.

Very respectfully yours,

WILLARD STRAIGHT.

File No. 893.51/1345.

The American Ambassador to France to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Paris, March 8, 1913.

It seems to me evident, on reviewing the history of the Chinese loan negotiations, that with the increase of the consortium from four to six powers began a persistent effort to disrupt the consortium, and that China is excluded from making loans in the world's financial markets as long as the six powers hold together.

The desire, the interest and the policy of the United States have been to maintain the integrity of China and further her rehabilitation. In order to extricate ourselves from the false position in which these dilatory negotiations place us and to continue that policy, does it not seem proper to attempt to relieve China from this embargo of financial exclusion?

To obtain this relief, the loan should be concluded forthwith or the six-power group should be dissolved and China be given a free hand to borrow where she will.

If the Department should find that a new group desirous of aiding China and of making an immediate loan could be formed, or that an adequate loan could be financed in America, would it not be a friendly act of great assistance to China and most gratefully appreciated by her, if the United States should announce to the five other powers that the loan must be immediately concluded or the United States would withdraw, reserving to itself all rights in the premises? It seems certain that such an action would force an issue one way or the other.

HERRICK.

File No. 893.51/1383.

The American Chargé d'Affaires to the Secretary of State.

No. 778.] AMERICAN LEGATION,
Peking, March 17, 1913.

SIR: I have the honor to enclose, for the information and files of the Department, copy in translation of a letter dated March 11, 1913, from the Minister of Finance to the sextuple group relative to the negotiations for the reorganization loan.

I have [etc.]

E. T. WILLIAMS.

[Inclosure—Translation.]

The Minister of Finance of China to the Sextuple Group.

MINISTRY OF FINANCE,
Peking, March 11, 1913.

SIR: For almost a year negotiations for a loan made necessary by China's financial requirements have been in progress with your groups. The terms of the agreement have been frequently discussed in Cabinet meetings and the controlling principles have been arranged satisfactorily. With the exception of the changes regarding the rate of interest and the discount, which I assumed responsibility for, all matters have been referred to the Advisory Council and have been approved. During the negotiations I endeavored by all possible means to preserve good relations with the groups. Adhering to this idea I gave way to the utmost in respect of the demands made by the groups in the hope that a settlement would be reached at an early date, that order would be maintained and lasting peace be secured.

The period of negotiations included the end of the old and the new calendar years and on these two occasions I was placed in a position of great difficulty as there was most pressing need of funds. I would recall that at the end of last year, new style, believing that a method of meeting the urgent conditions would be approved by the Advisory Council, I succeeded in getting the Cabinet to take the responsibility for altering the rate of interest from 5% to 5½%. Then again in your letter of January 26th you stated that with the exception of the issue price in London and the alterations to article 13, which were to be discussed, nothing else in the terms of the agreement would be different from the copy of the agreement sent on January 15th. You further said that prior to the signature of the agreement you should receive from your Ministers information that satisfactory foreign advisers had been engaged for the salt administration and the bureau of audit and a director for the loans bureau and that satisfactory agreement had been made with them et cetera. I at once took steps to engage able and intelligent men, three in number, to fill these positions. I expected that men who had been selected for the [their?] ability, irrespective of nationality, with such great care, would surely be accepted by the groups but on the 4th of February, when the agreement was all in order and the groups had agreed to sign the agreement at once and to make advances, suddenly other complications came up and you could not keep your word. On the 5th I wrote you declaring that prior to the signature of the agreement I reserved the right to borrow elsewhere. Subsequently a reply was received from you saying that so far as the groups were concerned everything was ready for signature and that the delay mentioned by me was clearly beyond your power to control and that you could not take the responsibility. I replied to this on the 6th declaring that I could not take the responsibility for anything outside the scope of the agreement and that, as it was difficult to see how the matter could be brought to a satisfactory conclusion, [I] could not do otherwise than go elsewhere for the funds so urgently needed. But I still remained inactive, hoping that your statement that all was ready for signature would materialize at an early date. More than a month has passed since the date set for signature and on the 3rd of March my Government received the information that the six Governments had decided at a meeting that nationality was to be the controlling factor as regards the engagement of foreigners in connection with the loan agreement: that one Englishman with one German as vice should be appointed to the salt administration; that in the loans department a German should be engaged as director; that as regards the number and functions of the foreigners in the audit department great changes had been made so that, instead of one foreigner, one Russian and one Frenchman were to be appointed. Such essential changes in the original understanding as these had not been calculated upon at any time during the negotiations.

In the negotiations for this loan there were first frequent delays and secondly successive changes of the terms of the agreement and I have been forced into an unimaginably difficult position. The foreign press for the most part calumniates my country. Foreign nations blame us for not paying our debts but at the same time every move they make tends to stop our sources of supply and they do not allow us to pay our debts. Foreign Governments blame us because the new régime is not established but their actions are such as to prevent our raising the funds and they do not allow us to make progress. Our Government is subjected

to enormous loss in every way by these delays and it is truly impossible to delay any longer.

As regards the negotiations for this loan I am deeply grateful for the good intentions of the groups. Unintentionally all these complications have arisen so that now the agreement, all ready for signature, has no more substantiality than a picture cake and cannot be put into effect. I deeply regret that the conditions are actually such as described by you in your letter of the 5th February, i. e., beyond control. Responsibility therefore cannot be undertaken. Kindly take note accordingly.

With regards [etc.]

CHOU HSUEH HSI.

File No. 893.51/1356a.

The Acting Secretary of State to Certain American Diplomatic Officers.[1]

[Telegram.]

DEPARTMENT OF STATE,
Washington, March 19, 1913—9 p. m.

Only for your information and guidance, I quote the following statement issued[2] by the President:

"We are informed that at the request of the last administration a certain group of American bankers undertook to participate in the loan now desired by the Government of China (approximately $125,000,000). Our Government wished American bankers to participate along with the bankers of other nations, because it desired that the good will of the United States toward China should be exhibited in this practical way, that American capital should have access to that great country, and that the United States should be in a position to share with the other powers any political responsibilities that might be associated with the development of the foreign relations of China in connection with her industrial and commercial enterprises. The present administration has been asked by this group of bankers whether it would also request them to participate in the loan. The representatives of the bankers through whom the administration was approached declared that they would continue to seek their share of the loan under the proposed agreements only if expressly requested to do so by the Government. The administration has declined to make such request, because it did not approve the conditions of the loan or the implications of responsibility on its own part which it was plainly told would be involved in the request.

"The conditions of the loan seem to us to touch very nearly the administrative independence of China itself, and this administration does not feel that it ought, even by implication, to be a party to those conditions. The responsibility on its part which would be implied in requesting the bankers to undertake the loan might conceivably go the length in some unhappy contingency of forcible interference in the financial, and even the political, affairs of that great oriental State, just now awakening to a consciousness of its power and of its obligations to its people. The conditions include not only the pledg-

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[1] This telegram was sent to Paris with instructions to repeat to London, Berlin, and St. Petersburg, and to Tokyo, with instructions to repeat to Peking.

[2] Issued to the press March 18, 1913, as "a declaration of the policy of the United States with regard to China."

ing of particular taxes, some of them antiquated and burdensome, to secure the loan, but also the administration of those taxes by foreign agents. The responsibility on the part of our Government implied in the encouragement of a loan thus secured and administered is plain enough and is obnoxious to the principles upon which the government of our people rests.

"The Government of the United States is not only willing, but earnestly desirous, of aiding the great Chinese people in every way that is consistent with their untrammeled development and its own immemorial principles. The awakening of the people of China to a consciousness of their responsibilities under free government is the most significant, if not the most momentous, event of our generation. With this movement and aspiration the American people are in profound sympathy. They certainly wish to participate, and participate very generously, in the opening to the Chinese and to the use of the world the almost untouched and perhaps unrivaled resources of China.

"The Government of the United States is earnestly desirous of promoting the most extended and intimate trade relationship between this country and the Chinese Republic. The present administration will urge and support the legislative measures necessary to give American merchants, manufacturers, contractors, and engineers the banking and other financial facilities which they now lack and without which they are at a serious disadvantage as compared with their industrial and commercial rivals. This is its duty. This is the main material interest of its citizens in the development of China. Our interests are those of the open door—a door of friendship and mutual advantage. This is the only door we care to enter."

ADEE.

File No. 893.51/1360.

The American Group to the Secretary of State.

NEW YORK, *March 19, 1913.*

SIR: We beg to confirm our telephone conversation of today in which the Department advised us that the statement of yesterday issued to the press by the President in regard to Chinese loan negotiations was to be considered as the Government's reply to the request of the American group in our letter of March 5th that the Department indicate its desire as to our future conduct in this matter.

We beg to enclose herewith a copy of the telegram which we have today despatched to the groups with whom we have been associated, and to our representative in Peking for communication to the Chinese Government, announcing our intention to withdraw from the six-group agreement and to give notification of our withdrawal from the four-group agreement in June next, in accordance with the provisions of article 14 thereof.

We would, however, call to the Department's attention the fact that, as shown by your records, we are now committed to certain transactions entered into by us with the Chinese Government at the instance of the Department, notably the Hukuang Railway loan agree-

ment; our one-fourth share in the £400,000 advance made on May 23rd, 1911, under the currency-loan agreement, signed on April 15th of that year; and our one-sixth share in the advances made to the Chinese Government on February 28, March 9, May 17, June 12 and June 18, 1912, for which we now hold Treasury bills, and which China intended to repay from the proceeds of the proposed reorganization loan.

In this connection we would beg to call to your attention the fact that the Chinese Government has not as yet redeemed the Treasury bills held by the six groups falling due on February 28 and March 9 respectively, of which the American group's share is—

Bills due February 28, 1913, $237,894.13.

Bills due March 9, 1913, $128,828.84.

The telegram proposed by Mr. Addis, contained in Messrs. Morgan, Grenfell & Company's communication of the 13th of March, a copy of which was transmitted to the Department with our letter of the same date,[1] was on that date forwarded to Peking.

As is shown by telegram received by us to-day from Messrs. Morgan, Grenfell & Co., copy of which is enclosed,[1] the representatives of the six groups in Peking have officially addressed the Minister of Finance reminding him of obligations due February 28 and March 9, and asking for early information as to arrangements made for payment. In reply, the Minister of Finance has stated his inability to pay owing to non-conclusion of the reorganization loan, and has requested an extension of six months or one year at 7½% interest per annum.

The Peking representatives add that as the reply from the Minister of Finance fails to give definite information as to the arrangements for repayment, they have notified the Legations in accordance with their instructions contained in the telegram of March 13 above referred to, that the Chinese Government is in default, and requested the Legations formally to notify the Chinese Government that its obligations are overdue.

We beg to request that the Department may be pleased to instruct the American Minister in Peking to cooperate with his colleagues in making such representations to the Chinese Government as may be necessary to secure an early adjustment of this matter.

Very truly yours,

WILLARD STRAIGHT.

[Inclosure 1.]

The American Group to Morgan, Grenfell and Company.

NEW YORK, *March 19, 1913.*

Please communicate the following to [naming the representatives of the British, Russian, Japanese, French and German groups of bankers]:

"The President of the United States has issued to the press [a] statement as follows:

[Here follows the statement quoted in the telegram of March 19 from the Acting Secretary of State to certain diplomatic officers; see ante.]

In view of foregoing the American group is with great regret obliged to announce to the other groups its complete withdrawal from negotiations for the

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[1] Not printed.

reorganization loan. We sincerely trust that our action will in no wise prejudice the position of the other groups. We shall gladly consider any suggestions other groups may be pleased to make as to action they desire us to take in order that our withdrawal may cause them least possible embarrassment. We shall delegate International Banking Corporation to carry on such routine business as may be necessary in view of the commitments already undertaken. We trust that you will appreciate the circumstances which have made our action imperative, and that you will realize our regret at severing our associations with the combination which we, like yourselves, believe to have been in the best interests of China and of the investing public in our respective markets.

In communicating with British, French and German groups please add following:

"The International Banking Corporation will act for us as regards the Hukuang agreement and the currency loan. We presume, in view of amended reorganization loan agreement, currency loan will be merged therewith, but if other groups wish proceed independently we shall gladly do everything in our power be of assistance. We would further notify you that as at present advised we shall in June give notification of our intention withdrawing also from four-group agreement in accordance with article fourteen thereof."

J. P. MORGAN & Co.

[Inclosure 2—Telegram.]

The American Group to its Representative at Peking.

NEW YORK, *March 19, 1913.*

We are today sending following telegram to other groups.

[Here follows Inclosure 1.]

Communicate to your colleagues and officially advise Chinese Government of our withdrawal from negotiations for reorganization loan.

J. P. MORGAN & Co.

File No. 893.51/1361.

The Japanese Ambassador to the Secretary of State.

[Memorandum.]

The attention of the Japanese Ambassador has been called to a statement recently appearing in the press and claiming to have emanated from the White House, in pronouncement of the new policy of the American Administration on the subject of the Chinese loan. Assuming the authenticity of the statement, it is expected that such disavowal by the United States Government of the policy of concerted action, established in common accord among the six powers, will be officially communicated to all the other parties to the understanding, and more especially to Japan which, at the invitation of the American Government, was persuaded to take part in the international financial consortium respecting the China reorganization loan. In the meantime, the Japanese Ambassador should feel particularly grateful if he could be favored with an exposition of the views of the American Government on the subject, for his own information.

It will be remembered that the plan of the six-power loan was actuated by a sincere desire to supply China with requisite funds conformably to her request, and to render her necessary assistance, with a view to successful reorganization of the country, consequent

upon the recent revolution. Such assistance, which was designed to meet China's pressing financial need and to contribute to the restoration of order and the establishment of authority in that country, has naturally a close connection with the question of recognition of the new Republic. That question was already under serious consideration of the Japanese Government as early as February, 1912, when they suggested to the United States and other great powers the advisability of holding to the principle of concerted action in the common interest of all parties concerned.[1] The suggestion met a ready and favorable reception at the hands of those powers, including the United States, which replied under date of February 28 [27].[2] In July and August following, further correspondence passed between the American and Japanese Governments on the same question.[3] It was understood that at an opportune moment, the powers should, in mutual consultation, proceed to the formal recognition of the new Republic. In pursuance to that understanding, the Japanese Government have been looking forward to an early opportunity when the desired recognition could be properly and conveniently accorded, and immediately upon being satisfied that the situation in China warrants such action of the powers, they will be happy to enter into further communication with the American Government freely and frankly upon measures to be taken in common with the other Governments interested. It is confidently hoped that having regard to the history of the question in the past, and appreciating the importance of the relations of good correspondence among the powers, especially in the matter of recognition, the American Administration may find it possible to deal with the situation upon free exchange of views with the Japanese Government.

IMPERIAL JAPANESE EMBASSY,
Washington, March 24, 1913.

File No. 893.51/1389.

The American Chargé d'Affaires to the Secretary of State.

[Extract.]

No. 792.] AMERICAN LEGATION,
Peking, March 25, 1913.

SIR: * * * Your telegram of March 19, 9 p. m., containing the full text of the statement was not received here until yesterday (March 24th) having been delayed by transmission through Paris and Tokyo. * * *

A meeting of the diplomatic representatives of the six powers concerned in the loan has been called for tomorrow morning, but in view of the statement of the President communicated in your telegram I have informed my colleagues that I shall not be able to take any further part in these negotiations.

As indicating the effect which the statement of the President and Cabinet has had upon the Chinese I have the honor to enclose a

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[1] For. Rel. 1912, p. 68. [2] Id. 69. [3] Id. 81, 85.

copy of an editorial published in the Peking Daily News of today's issue.[1]

On the whole the Chinese are greatly pleased by the action of the American Government and I have the honor to report that yesterday after conversation upon other matters the President of China said to me: "I am very grateful to the American Government for its action of a few days ago. It will be of great assistance to us."

I have [etc.]

E. T. WILLIAMS.

File No. 893.51/1368A.

The Acting Secretary of State to the President.

DEPARTMENT OF STATE,
Washington, March 25, 1913.

MR. PRESIDENT: I have the honor to enclose herewith a memorandum of a conversation I had to-day with the Chinese Minister. I informed the Minister that I would take great pleasure in transmitting to you the substance of the message from President Yuan Shih Kai but that I understood that it was your intention to defer any discussion of your recent statement with the foreign representatives in Washington until the return of the Secretary of State.

The Minister expressed his entire satisfaction with this arrangement, and I gathered from the conversation that on the return of the Secretary the Minister may request an opportunity of presenting the text of the message to you in person.

Very respectfully, ALVEY A. ADEE.

[Inclosure—Memorandum.]

The Chinese Minister called at the Department today and informed the Acting Secretary of State, Mr. Adee, that he had received special instructions from President Yuan Shih Kai to make formal expression of the thanks of the people of China and of their appreciation of the just and magnanimous attitude of President Wilson indicated in the public statement recently issued by him which was accepted by the Chinese Government as an expression of sincere friendship toward the Republic and people of China whose aims and aspirations in the establishment of liberal institutions find such ready response in America.

The Minister further expressed the belief of the Chinese Government that the friendship now so happily existing between the two countries will be further strengthened as a result of this policy.

DEPARTMENT OF STATE,
Washington, March 25, 1913.

File No. 893.51/1360.

The Secretary of State to the American Group.

DEPARTMENT OF STATE,
Washington, March 28, 1913.

SIR: Replying to your favor of March 19th, the President directs me to say that, in view of the fact that China was expecting to se-

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[1] It is headed "America and the Sextuple Group" and concludes as follows: "The consortium may or may not survive in a quintuple or even a quadruple form, but one thing at least is certain: China, except under compulsion, will never contract a foreign loan under the conditions recently demanded by the powers. And if financial assistance should ultimately be forthcoming upon less onerous terms much of the credit will be due to President Wilson."

cure from the six-power loan the money with which to take up her short-time obligations, he thinks it would be unfair to demand of China the immediate payment of the advances made, and suggests the propriety of considering favorably the request made by China for a six months' extension.

For this Government to urge immediate payment or to act officially in calling attention to the demands of the American financiers would arouse just criticism in view of the fact that it was this Government's refusal to renew the request made by the preceding administration that terminated the prospect of your participation in the loan and thus gave the excuse for the immediate demand. This Government's obligation to urge fairness upon the part of American creditors is as binding as its obligation to ask fair treatment of Americans by foreign governments, and the President feels that in view of all the circumstances of the case the request of China for six months' time is not unreasonable. The security, it may be added, is not lessened by delay and the interest is two per cent higher than that which you asked for the long-time loans.

Before taking action upon your request, the President would be glad to have a reply to this suggestion.

Very truly yours,

W. J. BRYAN.

File No. 893.51/1366.

The American Group to the Secretary of State.

NEW YORK, *March 31, 1913.*

SIR: We have the honor to acknowledge receipt of your letter of the 28th, in reply to ours of the 19th, of March. In deference to the President's suggestion we are forwarding today to Messrs. Morgan, Grenfell & Company a cable, a copy of which is enclosed, stating that the American group is willing to accede to the request of the Chinese Minister of Finance that an extension of six months at 7½% interest per annum be granted, upon the Treasury bills which became due on February 28th and March 9th, respectively.

It is our wish in so far as consistent with the principles of sound business to conform to the wishes of our Government. But we would emphasize the fact pointed out in our letter of March 19th that these advances, which the Chinese Government intended to repay from the proceeds of the reorganization loan, were made by the American group jointly with the British, French, German, Russian and Japanese groups.

While, therefore, we ourselves are willing, in deference to the President's wishes, to agree to an extension of the term of these obligations, we do not feel free in this matter to act independently of our former colleagues, nor, having withdrawn from these negotiations, are we in a position to press them to grant the accommodation which we ourselves are willing to extend.

In your letter under acknowledgment you observe that the Chinese Government offers 7½% interest per annum if the extension of the term of these Treasury bills be granted, or 2% more than the interest agreed upon for the large loan. We would call your attention,

however, to the fact that the interest of 5½% was to be paid on a loan the term of which is fifty years, evidenced by bonds which we as bankers would of course expect to sell to the public, while the interest of 7½% is offered upon short term Treasury bills already overdue, and as to the repayment of which, as shown by the telegram from Peking, transmitted to you with our letter of March 19th, the Chinese Government has now no definite plan.

Very truly yours,

WILLARD STRAIGHT.

[Inclosure.]

The American Group to Morgan, Grenfell & Co.

NEW YORK, *March 31, 1913.*

Reorganization; Treasury bills. Refer to your second cable March 19th and our reply. President feels it unfair demand immediate repayment Treasury bills and suggests that American group agree to extension of six months in compliance with request of Minister of Finance. We are not therefore in a position to join in urging immediate repayment and must consent to extension as requested.

File No. 893.51/1369A.

The Secretary of State to the Ambassador of Great Britain.[1]

DEPARTMENT OF STATE,
Washington, April 1, 1913.

EXCELLENCY: I have the honor to appraise your excellency of the present attitude of the Government of the United States in the matter of the pending negotiations for effecting a foreign loan to the Government of China.

It is unnecessary to recite the circumstances under which those negotiations were set on foot, or the course they have taken. As you are aware, the financial groups of four powers, including the United States, acting with the acquiescence of their respective Governments, took up the matter with the Government of China. Subsequently the financial interests of two other powers took part in the negotiations. The matter was still pending and undecided when the present Administration of the United States took office on the 4th ultimo.

On the 10th ultimo the American financial group, which had theretofore taken part in the negotiations at the request of the late Administration, asked whether the request for the cooperation of the American bankers would be renewed, and intimated that they would not be justified in continuing the negotiations unless they were requested anew to do so.

In response to that inquiry, the matter was considered by the President, whose decision was communicated to the American group and made public for the information of the people of this country. A copy of that publication is hereto appended.[2]

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[1] The same to the French, Russian, German and Japanese Ambassadors at Washington.
[2] See ante, circular telegram of March 19, and the letter following it.

The American group replied, announcing their withdrawal from participation in the negotiations at Peking, in the following language:

We beg to enclose herewith a copy of the telegram which we have today despatched to the groups with whom we have been associated, and to our representative in Peking for communication to the Chinese Government, announcing our intention to withdraw from the six-group agreement and to give notification of our withdrawal from the four-group agreement in June next, in accordance with the provisions of article 14 thereof.

The telegram referred to, after quoting the public statement, continued as follows:

In view of the foregoing the American group is with great regret obliged to announce to the other groups its complete withdrawal from negotiations for the reorganization loan. We sincerely trust that our action will in no wise prejudice the position of the other groups. We shall gladly consider any suggestions other groups may be pleased to make as to action they desire us take in order that our withdrawal may cause them least possible embarrassment. We shall delegate International Banking Corporation to carry on such routine business as may be necessary in view of the commitments already undertaken. We trust that you will appreciate the circumstances which have made our action imperative, and that you will realize our regret at severing our associations with the combination which we like yourselves believe to have been in the best interests of China and of the investing public in our respective markets.

In communicating with British, French and German groups please add following:

The International Banking Corporation will act for us as regards the Hukuang agreement and the currency loan. We presume in view of amended reorganization-loan agreement, currency loan will be merged therewith, but if other groups wish proceed independently we shall gladly do everything in our power be of assistance. We would further notify you that as at present advised we shall in June give notification of our intention withdrawing also from four-group agreement in accordance with article fourteen thereof.

The matter having thus been determined, it becomes appropriate to acquaint you with the facts in the case, for the information of your Government, in view of the interest it has testified in the negotiations conducted with the Government of China by the financial groups of the six powers.

Accept [etc.]

W. J. BRYAN.

File No. 893.51/1369.

The American Group to the Secretary of State.

NEW YORK, *April 2, 1913.*

SIR: We beg to enclose herewith, for your information, copy of the telegram which we have received today from Messrs. Morgan, Grenfell & Co., in response to our telegram announcing our withdrawal from the negotiations for the reorganization loan, copy of which telegram was transmitted to you with our letter of March 19th. We also beg to enclose copy of our reply to Messrs. Morgan, Grenfell & Company's telegram of today's date, together with a copy of the telegram which we have received from Peking in response to our message, copy of which was yesterday forwarded to the Department.

Very truly yours,

WILLARD STRAIGHT.

[Inclosure 1.]

Morgan, Grenfell & Co. to the American Group.

NEW YORK, *April 2, 1913.*

Reorganization. We have received from C. S. Addis following letter:

I have communicated your letter of March 20th to other members of the six-power consortium, who share regret of the American group at severance of associations and will do their best give effect to desire American group that their withdrawal should be complete. For the American group to relinquish participation in reorganization-loan and currency-loan contracts would not appear to present any great difficulty. As regards sextuple agreement, however, there are no means of releasing any of the signatories until reorganization loan has been issued or abandoned or period of five years has elapsed. It would appear therefore that American group remains bound by provisions sextuple agreement until one or other of these events has taken place, but remaining five groups trust they are correct in assuming that neither American group nor any of its individual members will enter into competition with them for Chinese business during that period.

We have already assured C. S. Addis informally that we are sure it is not intention of American group or its members to enter into competition with their late colleagues in the consortium, but we would be glad to be able to convey to him officially your confirmation of this.

[Inclosure 2—Telegram.]

The American Group to Morgan, Grenfell & Co.

NEW YORK, *April 2, 1913.*

Reorganization. Refer to your telegram of today. Although because of circumstances over which we have no control we have withdrawn from negotiations for reorganization loan, we shall, like all other parties to sextuple agreement be bound by provisions thereof until the agreement is terminated and we trust that you will at once advise Mr. Addis for communication to other groups that neither American group nor any of its individual members would consider undertaking any Chinese business either directly or indirectly in competition with other parties to sextuple agreement as long as that agreement remains in force.

We should be glad to hear what steps, if any, British, French and German groups desire us to take with regard to currency-loan negotiations. Right of groups issue this loan was extended to April 14th and we assume that unless further extension is requested by us and granted by Chinese Government contract will lapse subject always to repayment of £400,000 advance. We should also like as soon as possible to settle our share of joint expenses account of reorganization and Hukuang loans to date and receive from British, French and German groups their share expenses incurred by us in connection with currency loan.

[Inclosure 3.]

F. H. McKnight to the American Group.

PEKING, *April 2, 1913.*

Although not desirable [to] press now for payment Treasury bills, I believe it is very important, in view of unsettled political conditions here, that they be not extended but left overdue and therefore payable any time.

File No. 893.51/1397.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Peking, April 27, 1913; 10 a. m.

Quintuple reorganization loan signed this morning over protest of certain senators who claim that approval by the Assembly is necessary and who threaten to boycott the banks.

WILLIAMS.

File No. 893.51/1427.

The American Chargé d'Affaires to the Secretary of State.

No. 845.] AMERICAN LEGATION,
Peking, May 6, 1913.

SIR: Supplementary to my telegram of April 27th, 10 a. m., I have the honor to report that the reorganization-loan contract, the negotiation of which has occupied over a year, was signed by the representatives of the Chinese Government and those of the Quintuple Group of Bankers on Sunday morning, May 4th,[1] between three and four o'clock, at the local office of the Hongkong and Shanghai Banking Corporation.

The amount of the loan is £25,000,000; the term 47 years, and the interest is 5 per cent per annum. Amortization is to begin in the eleventh year. The issue price to the public is to be not less than 90 and the amount to be paid to the Chinese is to be not less than 84. £500,000 was to have been paid over to the Chinese Government immediately.

The contract provides for a British associate chief inspector of the salt gabelle, for a French and a Russian adviser to the bureau of audit, for a German director of the bureau of foreign loans, and for a German deputy inspector of the salt gabelle to reside at Shanghai.

The first-named position will be filled by Sir Richard Dane, who has been inspector general of salt excise for India since 1907. The Russian adviser to the bureau of audit is to be a Mr. Konovalof a commissioner of customs in China for some years past and now stationed at Harbin. The French adviser who will be recommended to fill the proposed position in the audit bureau will be M. Padoux, a former member of the French consular service and is now ranked as Minister Plenipotentiary and is legal adviser to the Siamese Government. I understand, however, that there still remain a few minor conditions to be settled before M. Padoux definitely accepts the appointment. The German director of the bureau of foreign loans will be Herr Rumpf of the Chinese customs service, who was employed in a similar capacity during the expenditure of the advances made by the sextuple group last year. Mr. Rumpf is in Peking ready to assume office as soon as the initial payment has been made by the bankers. The German deputy inspector of the salt gabelle with station at Shanghai has not been selected. I am confidentially informed that the candidate of the Chinese for this position is a Mr. Arnold of the Reichsbank, Berlin. He knows nothing about China or the Chinese, nor has he had any experience in salt administration. The Chinese state, however, they favor him for his financial experience. Herr von Strauch, who has been in the Chinese customs service since 1899, and is now commissioner of customs at Chungking is the German preferred by the German Legation here for the position.

The signing of the loan at such an unseemly hour as three a. m. was evidently due to the fear of the bankers that delay might result in the conclusion of a loan or loans with other banks. It was known that other loans were under consideration. One, a six per cent £3,200,000 loan with an Austrian syndicate, or an Austro-Belgian syndi-

[1] Compare with telegram of April 27 on preceding page.

cate, had already been signed; and one for £30,000,000 with certain British banks was said to have been initialed.

When the bank representatives connected with the quintuple loan learned of the last mentioned loan they began at once to urge the Chinese to sign the contract with them, and the interested Governments also brought pressure to bear upon the Chinese officials. In the meantime, the Minister of Finance, as reported in my number 827 of April 25, 1913,[1] disappeared, and rumors of flight caused by fear of assassination became current. It appears, however, that Mr. Chou had gone to Tientsin to negotiate other loans. Among these, it is said, he signed one with an American syndicate for £6,000,000 at 5 per cent and to be secured upon the wine and tea taxes. I am unable to confirm this report at present. The same American syndicate is reported to have undertaken the negotiation of a large loan, namely £20,000,000.

The Minister of Finance returned by special train to Peking on Friday night, May 25th, and the next day resumed negotiations with the quintuple group. When the contract was about to be initialed he presented a list of outstanding loans, as he was required to do, and this created such consternation among the bankers that for a time it seemed possible that the contract might not be signed. The group representatives were not at all pleased with the evidence that the Minister of Finance had signed loans with other banks while negotiating with them. Eventually, however, the group representatives yielded and the contract was initialed. It was then arranged that the instrument should be formally signed at ten o'clock that evening.

When the President and the Vice-President of the newly organized Senate, both members of the Kuomintang, heard, on Friday night, of the return of the Minister of Finance, they sought an interview with President Yuan, but they were told that the President had retired and therefore was unable to receive them. These two officers of the Senate then wrote letters to the President and to the Minister of Finance protesting against the signing of the loan contract before it had been submitted to the National Assembly for approval.

The next morning the President sent his Secretary, Mr. Liang Shih-yi, to labor with the two presiding officers of the Senate, in an endeavor to dissuade them from making further trouble regarding the completion of the contract. Mr. Liang said that the loan contract was already signed and that the Government was badly in need of the money. It was also pointed out that the loan contract was substantially the same as the one which had already received the approval of the Advisory Council, whose obligations had now passed to the National Assembly. This, however, did not satisfy the two senators. Later, when it developed that the contract had not been signed, but had been initialed only, the two senators were furious. They called at the offices of the Hongkong and Shanghai Banking Corporation at 10 p. m., and urged the bankers not to sign a contract which without the approval of the Assembly would be unconstitutional, but the bankers refused to be moved by these protests.

The President and Vice-President of the Senate then went away and gathered a delegation of senators of their own party with whom they returned, to make further objections. They were, however, re-

[1] Not printed.

fused admission to the bank, and, as a measure of precaution, the bank telephoned for extra police. There was really no need of such action, since the visitors were gentlemen, unarmed, and they had no intention or desire to create disorder. At about 3.40 a. m. the contract was signed and the crowd dispersed.

The leaders of the opposition, namely, the Kuomintang, promptly telegraphed to their party associates throughout the country, and the next day telegrams denouncing the Government for its alleged unconstitutional action began to arrive. This action apparently made no impression on the central authorities. They appeared to be ready and willing that the terms of the contract should be fulfilled.

I am informed that the £500,000 which was to have been immediately advanced to the Chinese has not yet been handed over. One reason given for the non-fulfillment of this feature of the contract is that the Chinese Government has already received $5,000,000, local currency, from the Austrian or Austro-Belgian syndicate, and will receive two more weekly installments of the same amount. The group representatives, fearing that this six per cent loan will be placed on the market ahead of their own five per cent loan, to the detriment of their loan, desire to reach an understanding which will delay the issue of the six per cent loan.

Another reason advanced is that the quintuple syndicate is awaiting the outcome of the Balkan situation before making any advance whatever.

With reference to the attitude of the south towards the loan, the Legation learns through the several consulates that, with the exception of Canton, the opposition seems to be confined to the political leaders of the opposition party. The Consul General at Canton telegraphs that the loan meets with much opposition officially.

Since writing the above, I have been confidentially informed that on account of the delay of the quintuple group in making the initial payment of £500,000, the Chinese have resumed secret negotiations with the local representative of the group of British banks outside of the consortium, for the loan of £30,000,000, mention of which is made earlier in this despatch. My informant states that if the British banks are able to make an immediate payment of the £500,000 required, that no further efforts will be made by the Chinese to satisfy the conditions of the quintuple group which require the shelving of the Austrian or Austro-Belgian loan until the quintuple loan has been marketed.

On account of the opposition to the loan in the south, and since both the Senate and the House of Representatives have disapproved of the irregularity on the part of the Government in signing the loan without referring it to the Assembly, it is possible that the Government will be glad of an opportunity to break with the quintuple group, and seek funds elsewhere.

I have [etc.]

E. T. Williams.

File No. 893.51/1434.

The American Group to the Secretary of State.

NEW YORK, *June 6, 1913.*

SIR: We beg to enclose herewith, for your information and files, copy of letter received today from the International Banking Corporation quoting a cable received from their London office in regard to the repayment of the Treasury bills from the proceeds of the reorganization loan.

Yours very truly,

WILLARD STRAIGHT.

[Inclosure.]

The International Banking Corporation to the Representative of the American Group.

NEW YORK, *June 6, 1913.*

DEAR SIR: With reference to our letter of the 4th instant, we beg to advise receipt this morning of the following cable message from our London Office:

Peking advises: "Advise Morgan, Grenfell & Co., London, referring to our telegram of the 4th—'The Hongkong & Shanghai Banking Corporation, the Deutsch-Asiatische Bank, the Banque de l'Indo-Chine, the Russo-Chinese Bank and the Yokohama Specie Bank, have telegraphed Hongkong & Shanghai Banking Corporation, London, all Treasury Bill[s] plus accrued interest to be repaid at once from proceeds reorganization loan.'"

Yours very truly,

H. T. S. GREEN.

File No. 893.51/1457.

The American Chargé d'Affaires to the Secretary of State.

No. 929.] AMERICAN LEGATION,
Peking, July 11, 1913.

SIR: I have the honor to request instructions as to the attitude to be taken by this Legation towards financial transactions between American capitalists and the Chinese Government.

I have several times recently been approached by prominent Chinese, officials and others, with inquiries for American financiers who might be willing to make loans to the Chinese Government for industrial or administrative purposes.

The Vice President of the Senate, Honorable C. T. Wang, called one morning to say that the friendly attitude of the American Government was greatly appreciated by the Chinese and to ask if there were not some way in which China could requite the kindness shown. He suggested a concession for a railway line. He had no definite proposition to make, however. I reminded him that a representative of Dr. Sun had visited the United States and endeavored to interest American capitalists in his plans for railway construction, but had not so far been very successful. Mr. Wang promised to call again and talk the matter over, but has not done so.

Two days ago I learned, on excellent authority, that a contract for the construction of the most important trunk line offered by Dr. Sun has already been signed with Lord ffrench, the representative of Messrs. Pauling & Company, a British firm. Messrs. J. G. White &

Company, of New York, are said to be interested in the contract, but in what way and to what extent I am unable at present to say. The line is to connect Canton with Chungking, in Szechuen, probably passing through the Province of Kweichou, which is rich in minerals. The contractors have, also, a seven years' option on an extension of the proposed line from Chungking to Lanchou, in Kansu Province. Funds are to be provided by a loan, bearing five per cent. interest, security for which will be the railway itself. The contract guards against misappropriation of funds by a provision which places them entirely under the control of the foreign engineers. The materials needed from abroad will be purchased in Great Britain. The contract has yet to be approved by the National Assembly, but inasmuch as it has been signed by Dr. Sun, it is believed that his party, the Kuo Min Tang, will support it and will be able to control the votes needed for approval.

Two or three days ago Judge King, formerly a Justice of the Chinese Supreme Court, called to say that a representative of the Vice President, Li Yuan-hung, was in Peking and would like to get in touch with some American capitalists who would be willing to make a loan for the rebuilding of Hankow. He thought that some twenty million (probably Chinese) dollars would be required. The security would probably be the provincial taxes. This loan was offered last year to the Robert Dollar Company, of San Francisco. * * * Judge King stated further that Mr. Sheng Hsuan-huai, Minister of Posts and Communications under the late Imperial Government and principal owner of the Ping-hsiang Colliery, the Ta-yeh Iron Mines, and the Hanyang Rolling Mills, was anxious to raise a loan upon the security of these works. They are heavily mortgaged at present to Japanese capitalists and a good part of the output of the iron mines and the mills is sold to Japan at very little above cost. The proposed loan would be used to pay off this indebtedness and improve the works. I inquired whether the lenders would be allowed to operate the mines and mills. Judge King thought not, but said that they would be allowed supervision of the accounts.

A third loan in contemplation is one sought by the Province of Chekiang upon the security of the silk tax. The production of silk is one of the chief industries of that province. The manager of the Peking branch of the International Banking Corporation, which is American, informs me that his bank refused this loan because it was intended for political purposes only and because the security was considered to be inadequate.

The Military Governor of Mukden also is looking for another loan for administrative purposes.

In discussing these proposals with American business men, I have been asked whether the American Government would give its support to these enterprises. In reply I have reminded the inquirers that bona fide American business interests have always received the protection of our Government and that a large part of the work of the Legation consists in endeavors to adjust difficulties related to such business interests. I have referred also to the statement, issued by the President and communicated to the Legation in your telegram of March 19, 9.00 p. m., to the effect that the American people "wish

to participate very generously in the opening to the Chinese and to the use of the world the almost untouched and perhaps unrivaled resources of China" and that "the Government of the United States is earnestly desirous of promoting the most extended and intimate trade relationship between the United States and the Chinese Republic." At the same time the objections set forth in the President's statement to the conditions of the recent reorganization loan contract have not been overlooked.

I have the honor to inquire whether I am to understand that the Department does not desire the Legation to encourage loans to the Chinese national or provincial Governments, secured upon national or local taxes.

It is evident that financial transactions between American citizens and the Chinese Government are altogether different from such transactions between individuals or business firms. When difficulties occur in connection with the latter, suits may be brought by American plaintiffs in Chinese courts in which our consular representatives have a right to sit as associates to see that justice is done and the treaty rights of their nationals protected; and in cases where Americans are defendants the American consular courts or the United States Court for China have jurisdiction. Should the Chinese Government, however, default in its engagements with American financiers, it might become necessary to take possession of the revenues pledged as security for the loans made and this, as the President points out, might require "forcible interference in the financial and even the political affairs of China."

This contingency is even now at hand; China is on the verge of bankruptcy and, in my opinion, can not much longer escape from international control of its finances. I assume, therefore, that the Department does not intend to give its support to any loan contracts with conditions similar to those to which objection has been made in the case of the reorganization loan. If I am correct in this, such loans as those solicited for the rebuilding of Hankow and for the provincial administrations of Chekiang and Shengking, if made by American financiers, could not expect the support of the United States Government.

On the other hand, industrial loans, like that desired by Mr. Sheng Hsuan-huai to be secured upon the mines and mills concerned, as I understand the policy of the Department, would be looked upon with favor by the Department and would have the right to expect such protection as has always been given to American commercial interests.

In the case of loans made for the construction of railways, the Legation is not quite clear as to the attitude which should be taken. Where the loan is secured upon the railway itself, I assume that the support of the United States Government will not be withheld, even though these lines are owned by the Chinese Government and the contract is made with a representative of the Chinese Government, as has been the case in nearly all railway construction in China. The Hukuang Railway contract, however, provides for a loan which is secured upon provincial taxes. While the Department would discourage the making of such contracts by Americans in the future, I assume that since this particular contract has received the ap-

proval of our Government, the Legation can not refuse to take such action as may be necessary to protect the American investment already made.

The questions raised here are practical and of pressing importance.

In the case of the Hukuang Railway Loan, the fear of the bondholders that the provincial likin was no longer adequate as security led, in March last, to considerable discussion and to the temporary pledging of the property and materials of the railway as a guaranty that the likin was unimpaired. Other questions in connection with this loan are not unlikely to call for action by the Legation.

I am now asked by the local representative of the International Banking Corporation to ascertain whether or not the Department will give support to a loan for the construction of one of the lines offered by Dr. Sun and for which his bank may be disposed to negotiate. I have asked him what he means by "support." His reply is that, should the Chinese Government or its representative fail to carry out the terms of the contract, he would like to be assured that the Legation will exercise its good offices to see that a just settlement is made. I have already stated in a preceding paragraph my understanding of the Department's policy in such cases.

The peculiar conditions prevailing in China, where so many industrial enterprises are either wholly or partially owned by the Government, make it desirable that American business men should know how far the Legation can go in encouraging investments for the development of such official or semi-official enterprises.

The future of American trade is concerned because concessions obtained now will secure for the nations obtaining them the Chinese market for the machinery and other supplies needed in the development of the concessions. Once supplies of a certain type are introduced, they tend to become standard and the sale of other sorts becomes very difficult. In this connection, I have the honor to inquire whether the Department's instruction of October 21, 1905, still holds good, in which the Legation is authorized to forward without comment to the Chinese Foreign Office the applications of reputable American citizens for privileges and concessions.

The Legation is desirous of avoiding any misunderstanding of the Department's policy in regard to the questions raised herein, so that it may carry out that policy. I have the honor, therefore, to request that I may be instructed accordingly.

I have [etc.]

E. T. WILLIAMS.

File No. 893.51/1457.

The Secretary of State to the American Chargé d'Affaires.

No. 389.] DEPARTMENT OF STATE,
Washington, September 11, 1913.

SIR: In reply to the Legation's despatch No. 929 of July 11, 1913, in which instructions are requested as to the attitude to be taken by the Legation toward financial transactions between American capitalists and the Chinese Government, I have to state that the Legation

is right in assuming that the Department is extremely interested in promoting, in every proper way, the legitimate enterprises of American citizens in China and in developing to the fullest extent the commercial relations between the two countries.

It may be stated, in general, that this Government expects that American enterprise should have opportunity everywhere abroad to compete for contractual favors on the same footing as any foreign competitors, and this implies also equal opportunity to an American competitor to make good his ability to execute the contract by showing his responsible standing or giving appropriate security for the execution of his contract. This Government does not do this for him. This Government is not the endorser of the American competitor, and is not an accountable party to the undertaking. It, however, stands ready, if wrong be done toward an American citizen in his business relations with a foreign government, to use all proper effort toward securing just treatment for its citizens. This rule applies as well to financial contracts as to industrial engagements.

A clear statement of this general principle will be found in the instruction of Mr. Olney to Mr. Denby, of date December 19, 1896 (see Foreign Relations 1897, page 56) which, together with the Department's instruction of October 21, 1905, to which you refer in the despatch under reply, the Department considers still generally applicable.

With reference to the question of the nature and degree of diplomatic support that may be given to any particular financial enterprise in China the Department must, in accordance with its uniform practice, exercise the right to decide each case independently as it arises, according to the circumstances and conditions that may exist at the time, always with the understanding, however, that, as made explicit in the President's public statement of March 18th last, the support of this Government could in no case be expected to involve or imply forcible interference in the financial or political affairs of China.

Within these broad lines much must necessarily and may to advantage be left to the discretion and experience of the Legation and particularly to the initiative and enterprise of the individual Americans interested, who should at every opportunity be reminded that in seeking, developing and safeguarding business opportunities in China they must rely primarily upon their own efforts, looking to this Government only for such assistance and protection as are ordinarily given to legitimate and beneficial American enterprises in foreign countries.

I am [etc.] W. J. Bryan.

The American Chargé d'Affaires to the Secretary of State.

[Extract.]

No. 1024.] American Legation,
Peking, September 25, 1913.

Sir: I have the honor to submit the following observations upon the present political conditions in China.

The suppression of the insurrection in the south has undoubtedly strengthened the hands of the present administration and there is

some prospect of an increase in the revenues of the Central Government from the more direct control which Peking will now have of the fiscal administration of the southern provinces. Nevertheless, the financial condition of the Government at present is well-nigh desperate. The proceeds of the so-called Reorganization Loan are about exhausted, except that some £4,400,000 remain to be used for the improvement of the salt administration and certain other purposes, and which will not be paid over until the Government is ready to carry out these reforms. It is stated by a native journal that the Government has already a deficit of $20,000,000.

Already the Government is talking of another loan, and since, according to the terms of the reorganization loan contract, no loan can be made by the Government for six months after the last instalment of the reorganization loan is paid, the quintuple banking group is the only one at present with whom the Government can deal.

Should the quintuple group be approached for another loan, it is more than likely that much harder terms will be made than are found in the last contract, more especially since the claims of the Government with respect to the income from the salt gabelle do not appear to be supported by the facts. In my No. 916 of July 1, 1913,[1] I called attention to the budget for the first six months of the year as showing a revenue of but $1,867,000 from salt. The real amount received by the Central Government is said to have been much less than this and by some it is estimated at no more than $200,000.

Much offense was given, too, to the banking groups by the attempt of the Government to place a salt commissioner over the Chinese director-general and the British co-director-general of the salt gabelle, who under the contract were supposed to have full authority to reorganize the gabelle. The creation of the new office was doubtless intended to prevent the carrying out of any reforms not approved by the Government. A strong protest by the representatives of the five powers concerned led to the abolition of the new post and the Chinese Government has reluctantly consented to the plans of Sir Richard Dane, British co-director of the salt gabelle. Whether these plans will prove practicable or not is somewhat problematical. Sir Richard Dane has had experience in India, but he is not well acquainted with conditions in China. I enclose a clipping from the Peking Gazette,[1] of September 25th, translated from the Asiatic Daily News, which comments unfavorably upon the proposed plans.

I have several times, in previous despatches, referred to the extravagance and corruption of the present Government. The opinion generally expressed by foreigners in Peking is that there is far more corruption under the Republic than under the Manchu régime. There are many more officials to be satisfied now, and the commissions upon contracts that are approved are necessarily much larger. In one instance it is credibly stated to have been thirty-five per cent.

The amount of paper money in circulation is constantly increasing and is a serious hindrance to trade in some parts of the country. The amount of the provincial notes outstanding is given as $150,000,000. To this must be added $9,000,000 issued by the Bank of China and the Bank of Communications. In a conversation which I had with Mr. Liang Ch'i-ch'ao, Minister of Justice, on the 24th

[1] Not printed.

instant, I was informed that it was proposed to redeem the provincial notes now at a considerable discount by issuing Central Government notes payable at a future date. The Peking Gazette reports that one-tenth of the issue, to be determined by lot, is to be redeemed each year, so that the whole of the $150,000,000 would be redeemed in ten years. This does not appear to be a very practicable solution since the notes will not bear interest and the scheme would really amount to a loan without interest. Since the present provincial notes are at a discount of from twenty to forty per cent, however, it is not impossible that if they are exchanged for the new notes, dollar for dollar, the holders might be willing to part with them under the proposed arrangement.

The Premier, the Minister for Foreign Affairs and the Minister of Justice have all repeatedly, within the past two weeks, expressed their regret that the American bankers had withdrawn from the currency-loan agreement. They recalled the deep interest shown by the United States in the reform of China's currency, the work done by Professor Jenks, and the initiative taken by the Americans in negotiating the currency-loan contract, and seemed very desirous of having American assistance in this reform, so greatly needed. I do not doubt, however, that their desire for American assistance is largely due to their dissatisfaction with the pressure being exerted by the five governments whose nationals are included in the quintuple group.

The present Premier, who is also Minister of Finance, seems to realize the critical condition of the country's finances and is endeavoring to enforce greater economy in the administration. * * *

The whole situation is affected, too, by the rather strained relations existing between China and Japan. * * *

I have [etc.]

E. T. Williams.

File No. 893.51/1477.

The American Chargé d'Affaires to the Secretary of State.

No. 1067.] American Legation,
Peking, October 21, 1913.

Sir: I have the honor to report that I called by appointment upon the Premier and Minister of Finance, Mr. Hsiung Hsi-ling, on the 18th instant to inquire about the negotiations at Yunnan Fu between an American, Mr. T. G. P. Pierson, and the Yunnan Provincial Government for a loan of $2,500,000, as already reported in my No. 1064 of even date.[1]

After Mr. Hsiung had denied any knowledge of such negotiations, he broached the subject of a loan by American capitalists to the Chinese Central Government. This is the third time recently that he has introduced the subject, but the first time that he has stated the amount and purpose of the proposed loan and definitely requested any action upon my part. Three other Cabinet Ministers have also recently approached me upon the same subject. The Premier said he regretted that the American bankers had withdrawn from participation in the currency loan, that the currency of the

[1] Not printed.

country was in a very bad condition, and that its reform was urgently needed. He said the Chinese Government would be glad if the American Government would give such assurances to American capitalists as would induce them to resume the lending of money to China.

I assured the Minister that the American Government was not only not opposed to the investment of American capital in China but on the contrary would be glad to see such investment made, whether for industrial or purely financial purposes, but that it was not the desire of the American Government to conduct the negotiations for such loans, which should be taken up with the American capitalists themselves.

I called attention, however, to China's pledge not to make or guarantee any loans for six months after the last payment upon the recent reorganization loan. The Minister replied that the six months would expire in February next and that the time between the present and next February was but too brief for the negotiations of a new loan, and that even if negotiations should be completed before that date no bonds would need to be put upon the market until the six months' period should be completed.

I inquired as to his plans for the improvement of the currency. He stated that there was a vast amount of paper money afloat which had been issued by the provinces, that it was now at a heavy discount and he proposed to replace these notes with notes of the Bank of China which it was intended to secure by the loan requested. The total amount of provincial loans afloat is estimated at Chinese $200,000,000. Mr. Hsiung said that it was thought that if a loan of, say, £5,000,000 or £10,000,000 could be negotiated in the United States, a further loan from the quintuple group could be avoided: a result much to be desired by the Chinese Government. Such a loan for the reform of the currency, he considered, would be for the general benefit and would in effect be an industrial, not a political loan, since it would encourage industry and commerce by giving a stable medium of exchange and removing the danger of financial loss from a depreciated currency. The Chinese Government would benefit greatly because the revenues now being sent up from the provinces are paid in this depreciated currency, which must be received at its face value by the Central Government but which can be paid out at no more than its market value.

The Minister pointed out that if China should have to turn again to the quintuple group for a loan of another £25,000,000 each of the five nations interested would have an investment of £10,000,000 in these two loans, and that if the United States had no share in them its interests were likely to suffer correspondingly. He did not explain this statement, but I presume he meant to imply that the conditions of supervision, etc., without which the loans cannot be made, would place these five powers in practical control of China's finances and enable them to dictate its fiscal policy, while at the same time their numerous advisers and supervisors would place them in an advantageous position when purely industrial loans were to be made or railway, mining, or other concessions were to be granted.

I raised the question of security for such a loan as he desires, but he replied only vaguely that there were plenty of revenues that could be given as security.

I did not encourage him to hope that American capitalists would be attracted by the proposed loan, but, on the contrary, pointed out that American capital could find such remunerative investment at home as to make it undesirable to enter into competition with that of Europe, which was content with low rates of interest. In reply to this remark he asked whether the bonds for such a loan could not be floated in the United States, in which case he would be willing to pay a higher rate of interest inasmuch as the quotations of Chinese securities in Europe would not be affected thereby. I expressed the opinion that if the rate of interest were high enough the bonds could doubtless be sold in the United States.

At his earnest solicitation I agreed to report to you his request for the good offices of the American Government with American capitalists, but at the same time I suggested that the proper channel for the communication of such a request was the Chinese diplomatic representative in Washington.

In making this report it is scarcely necessary to do more than call attention to the desperate condition of China's finances, of which the Legation has already on various occasions advised the Department. I enclose a clipping from the Peking Gazette of October 15th, which quotes an estimate of China's indebtedness made by the Osaka Mainichi, from which it appears that her foreign debt is not less than Y1,715,751,728, or United States $857,875,864. These figures are believed to be substantially correct. Taking a conservative estimate of the population at 320,000,000, the indebtedness amounts to United States $2.68 per capita, which seems very light when compared with Japan's $25.00 per head.

But China's finances are in such disorder that it seems impossible for her to continue long to meet her obligations without foreign interference, and that possibility must be given due weight in considering the advisability of an American loan to this Government. Undoubtedly, the Chinese would like competition between American financiers and those of the quintuple group, since the latter might in such case be induced to moderate their demands, and I am disposed to believe that this is the principal motive prompting the Cabinet to ask for an American loan at the present time.

I have [etc.]

E. T. WILLIAMS.

[Inclosure—From the "Peking Gazette," October 15, 1913.]

THE POWERS IN CHINA.

Dealing with the economic position of the Powers in China the *Osaka Mainichi* points out that the economic invasion of China is a matter of history, and has now reached a stable condition. The following table shows the details of the investments of the Powers in China:

	Government loans.	Provincial loans.
England	334,548,250	23,480,000
Germany	240,763,250	16,660,000
France	147,837,361	4,629,000
Russia	106,737,361	
Belgium	29,066,666	240,000
United States	16,000,000	37,380,000
Japan	69,670,000	3,420,000
Other powers	643,153,840	2,870,000
Total yen	1,627,871,728	87,880,000

As shown by the figures Britain comes first on the list, supplying one-fourth of China's requirement; and next comes Germany, which supplies one-eighth of China's whole national debt. Japan's total investments in China stand at 73,000,000 yen, which is only a sixth of Britain's investments and a fourth of Germany's. China has also floated a large amount of loans in the domestic market, which are practically foreign debts. When these loans are taken into account, the amount supplied by Britain and Germany is still further increased, and the percentage of Japan still further lowered.—*Japan Daily Mail.*

CURRENCY-REFORM AND MANCHURIAN-INDUSTRIAL LOAN.[1]

File No. 893.51/1158.

The American Minister to the Secretary of State.

AMERICAN LEGATION,
Peking, October 29, 1912.

SIR: In acknowledging the receipt of the Department's instruction number 266, October 2, 1912[2], enclosing copy of memoranda exchanged between the Department of State and the American group regarding the repayment of the advance of £400,000 under the currency-loan agreement[3], I have the honor to send herewith for the information of the Department, copy of the English text of the bond together with copies of the correspondence exchanged between the representative of the American group in Peking and the Ministry of Finance, relative to the extension of the time for repayment of the aforementioned advance to April 14, 1913.

I have [etc.]

W. J. CALHOUN.

[Inclosure 1.]

Imperial Chinese Ministry of Finance £400,000 Bond of May 24, 1911.

The Imperial Chinese Ministry of Finance, for and on behalf of the Imperial Chinese Government, hereby promises to pay on or before the fifteenth day of October, one thousand nine hundred and twelve, Western Calendar, from the first proceeds of the Imperial Chinese Government Five-per-cent Currency-Reform and Industrial-Development Sinking-Fund Gold Loan of 1911, when issued, or from other sources, in gold in equal shares, to the American Group in New York, The Hongkong and Shanghai Banking Corporation in London, the Deutsch-Asiatische Bank in Berlin, and the Banque de l'Indo-Chine in Paris, the sum of Four Hundred Thousand Pounds (£400,000) Sterling with accrued interest at the rate of six per cent per annum calculated from the thirteenth day of May, 1911, for value received, being the first installment of an advance of One Million Pounds (£1,000,000) Sterling for Manchurian requirements to be held at the disposal of the Imperial Chinese Government under the provisions of Article VIII, Sections 4 and 6 of the Loan Agreement signed at Peking on the seventeenth day of the Third Moon of the Third Year of His Imperial Majesty Hsuan T'ung, being the fifteenth day of April, one thousand nine hundred and eleven, Western Calendar, the said advance being secured by a first charge on the revenues pledged as security for the said Loan in terms of Article V of the said Loan Agreement.

Executed in Chinese and English at Peking the twenty-sixth day of the Fifth Moon of the Third Year of His Imperial Majesty Hsuan T'ung, being the twenty-fourth day of May, one thousand nine hundred and eleven, Western Calendar.

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[1] Continued from For. Rel. 1912, p. 88 et seq. [2] Not printed. [3] For. Rel. 1912, p. 95.

Memorandum of Endorsement of October 15, 1912.

This bond has been endorsed "Extended by mutual consent to 14th of April, 1913," this endorsement being dated and being signed by the representatives of the American, British, German and French banks, and on the part of the Chinese Republic by Chou Hsueh Hsi, Minister of Finance, on the 15th day of October, 1912.

[Inclosure 2.]

Extension of £400,000 Advance on Currency Loan: Minutes of a conversation between Mr. McKnight and the Minister of Finance on October 1, 1912.

[Extract.]

On October 1st Mr. McKnight called upon the Minister of Finance by appointment at 3:00 p. m. Mr. McKnight explained that the American group had all along taken the lead in matters connected with the currency-reform loan and that he came to-day informally to call to the Minister's mind the fact that the advance of £400,000 fell due for payment on the 15th of this month, and to ask the Minister whether he had taken steps to provide for repayment at due date or whether he desired to request an extension of time. The Minister replied that he had this matter under consideration and had brought it to the notice of the President, and hoped that it would be possible to secure an extension of time, for China was in financial difficulties. He feared that if payment of this advance was pressed for he would have to borrow to meet the demand. * * *

Mr. McKnight asked the Minister whether or not in his opinion the advance could be repaid if an extension of time till next April were agreed to by the groups. The Minister replied that it was impossible to say, but he hoped that conditions by that time would be so much improved as to make repayment possible. He desired to ask Mr. McKnight whether the currency loan could be floated by April next. * * *

Mr. McKnight replied to the Minister to the effect that while he hoped it would be possible for China to obtain from the groups funds for the currency reform when needed, yet he personally did not think that it would be possible to float the currency loan by April next on the conditions called for in the agreement; he further said that much would depend on the general financial policy of the Chinese Government, for this would determine China's credit on the foreign markets. * * *

The Minister stated that he knew full well that in the matter of China's credit everything depended upon whether or not China could make great advances toward a settled condition and embark upon a sound progressive policy during the intervening months. He expressed the hope that this would be done and requested Mr. McKnight to do his best to secure an extension of time for repayment of the £400,000 advance.

Mr. McKnight informed the Minister that in case he desired to ask for an extension of time it was important that a letter should be sent to the groups as soon as possible in order to give time for consideration; he assured the Minister that such a letter would have most careful consideration and that a reply to it would be made as soon as possible.

The Minister said that he expected a reply from Mukden within one or two days and that no time would be lost after its receipt.

[Inclosure 3—Translation.]

The Chinese Minister of Finance to Mr. McKnight.

MINISTRY OF FINANCE,
Peking, October 2, 1912.

SIR: With reference to the currency-reform and Manchurian-industrial loan concluded between your group and the former Manchu Government on April 15th, 1911, £400,000 of which have already been advanced in accordance with clauses 4 and 5 of article 8 and is due for repayment on October 15th of this year, and with reference to the enquiries made by Mr. McKnight at his visit yesterday, I find that the agreement stipulates that these funds shall be repaid out of the

proceeds from the sale of the first issue of the bonds. In view of the fact that these bonds have not been issued for sale and that the Republic in this its initial stage of reconstruction has an enormous expenditure to meet and has no other funds upon which it may draw for repayment at once, I have to request that the time for the repayment of this sum of £400,000 be extended until the 15th October, 1913. Or that it be paid from the first proceeds of the sale of the currency-loan bonds.

In view of the good feeling that has characterized the relations with your group in the past, I trust that this request may be granted.

Trusting to receive your reply. Compliments [etc.]

CHOU HSUEH HSI.

[Inclosure 4.]

Mr. McKnight to the Minister of Finance.

PEKING, *October 11, 1912.*

SIR: I have the honor to acknowledge the receipt of your letter of October 2nd in regard to the £400,000 advance upon the "Currency-Reform and Industrial-Development" Loan.

The clause of the loan agreement which governs repayment of this advance provides that it shall be repaid "from the first proceeds of this loan when issued, or in any case within eighteen months from the signature of this agreement unless otherwise mutually agreed between the Board of Finance and the Banks." Repayment is clearly due, therefore, on the 15th of the present month, since the loan agreement was signed on April 15th, 1911.

In view, however, of the fact that you acceded very promptly to our request for an extension of the time of the "Currency-Reform and Industrial-Development Loan Agreement" to April 14th, 1913, and also having in mind the unusual circumstances now prevailing in this country as mentioned in your letter, which may very well make it difficult for you to make repayment of this advance when due, my colleagues and myself have thoroughly considered your request for further time and have decided that we can extend the time for repayment to April 14th, 1913, which is the date to which the Currency Loan Agreement itself has been extended—this extension being subject, of course, to repayment of the advance from the first proceeds of loan if issued before the date mentioned. We are unable at this time to consider an extension to October 15th, 1913.

If an extension to April 14th, as above suggested, is satisfactory to you, I suggest that you make an appointment to call at my office before October 15th and formally extend the bond by mutual consent and by joint signature.

I am [etc.]

F. H. MCKNIGHT.

[Inclosure 5.]

Mr. McKnight to the American Minister.

PEKING, *October 15, 1912.*

SIR: I beg to advise you that we have this day endorsed on the bond of the £400,000 advance of the currency loan the words "Extended by mutual consent to the 14th of April, 1913," this endorsement being dated and being signed by the representatives of the American, British, German and French banks and on the part of the Chinese Republic by Chou Hsueh Hsi, Minister of Finance.

I enclose copy of a letter in this matter which we received yesterday from the Minister of Finance.

I have [etc.]

F. H. MCKNIGHT.

[Subinclosure.]

The Minister of Finance to Mr. McKnight.

MINISTRY OF FINANCE,
PEKING, *October 14, 1912.*

SIR: I beg to acknowledge receipt of your letter informing me of your having kindly consented to extend the time for repayment to your groups of the advance

of £400,000 provided for in the currency-loan contract until the 14th day of April, 1913, and requesting the Finance Minister to appoint a time to meet your groups to formally extend the time and sign the bond.

In reply I desire to express my thanks and appreciation of the kindness the groups have shown in this matter.

I am sending to confer with you at your office Mr. Wang Shih Teng, a departmental chief in the Ministry of Finance. He will take up with you the various points referred to in your letter under reply and as soon as the contract for extension of time has been drawn up a time will be set to meet with you at the Ministry of Finance and to jointly affix the required signatures.

With compliments [etc.]

CHOU HSUEH HSI.

File No. 893.51/1321.

The American Group to the Secretary of State.

NEW YORK, *February 25, 1913.*

SIR: We enclose herewith, for your information, a copy of a letter received by us from Messers. Morgan, Grenfell & Co., dated February 14th, together with a copy of the memorandum referred to therein, relating to a meeting of the representatives of the four groups and Dr. Vissering in London, on January 11th, 1913.

Very truly yours,

WILLARD STRAIGHT.

[Inclosure.]

Morgan, Grenfell & Co. to the American Group.

LONDON, E. C., *February 14, 1913.*

DEAR SIRS: We inclose herewith 6 copies of a memorandum made by Mr. Whigham of the conversation between Dr. Vissering and the representatives of the four groups at their meeting with him on Saturday the 11th January.

The memorandum was made by Mr. Whigham next day from memory and cannot therefore be considered in any way a complete record of Dr. Vissering's statements, but it has been submitted to Dr. Melchior and Mr. Addis, who were both present, and who have agreed that it gives a fair account of the main points covered in the discussion.

Personally we consider that the meeting with Dr. Vissering was very disappointing. Without venturing to criticise the views of such an expert in currency matters, it appeared to us that his statements were mostly those which might be found in any text-book on currency reform, but that he evaded the whole practical problem, viz., whether the results which had been found to obtain in states and communities with strong governments, which can to a certain extent enforce their wishes in currency matters, would obtain in China where the Government is weak and the population are peculiarly governed by customs and prejudice.

Yours very truly,

MORGAN, GRENFELL & CO.

[Subinclosure—Memorandum—Summary.]

Dr. Vissering explained that he had originally been invited by the former Manchu Government to act as financial adviser to China in connection with the currency-reform proposals as outlined in the currency-loan agreement. Owing to the revolution, the matter was suspended. Thereafter the Provisional Government asked him to act as its financial adviser and in August or September, 1912, he went to Peking, conferred with a currency-reform committee composed entirely of Chinese, and concluded a contract as Adviser. He had

previously prepared a pamphlet fully explaining his currency-reform proposals, which was presented to the Chinese committee and to the banking groups, and he now explained his incomplete further plans, relating to the organization of a requisite central bank. He considered China not yet ready for a completely gold basis; a gold exchange basis would best solve the present problem, similar to those adopted in British India and some of the Dutch colonies; for this solution a central bank would not at first require a considerable gold reserve but would issue notes against first-class financial bills payable in gold in European and American centers, thus gradually accumulating a gold reserve in those centers. Neither would a central bank at first undertake ordinary or financial business but would confine its operations entirely to monetary matters. At first it would issue its notes only against gold or gold values and not for services, etc.; the notes so issued would thus go readily into and remain in circulation side by side with the existing silver coinage, gradually becoming a part of the circulating medium.

Messrs. Urbig, Addis and Simon, practical bankers in China, thought Dr. Vissering's proposals impracticable, but their differences with him seemed matters of opinion rather than of principle. They thought the notes issued as indicated by him would not remain in circulation but would at once be presented at the central bank for payment in gold, thus rendering the whole scheme inoperative and forcing the bank soon to close its doors as, being debarred from commercial business, it could make no profits and must eventually suffer losses.

File No. 893.51/1385.

The American Group to the Secretary of State.

[Extract.]

NEW YORK, *April 12, 1913.*

SIR: We beg to enclose herewith, for your information and files, a copy of a letter addressed to us by his excellency Chang Yin Tang, the Chinese Minister in Washington, together with a copy of our reply of to-day, regarding the currency loan.

Also we send you herewith a copy of a cable received to-day from Messrs. Morgan, Grenfell & Co., a copy of our reply to this message, quoting our cable to Mr. F. H. McKnight, in Peking, a copy of which is also enclosed.

Very truly yours,

WILLARD STRAIGHT.

[Inclosure 1.]

The Chinese Minister to the Representative of the American Group.

LEGATION OF CHINA,
Washington, April 11, 1913.

DEAR SIR: I am in receipt of a cablegram from the Ministry of Finance, requesting me to invite your attention to the currency-reform and industrial-loan agreement of April 15, 1910 [1911], to which the American group were parties, and to inquire whether arrangements have been made in accordance with the said agreement for the sale of bonds. As the agreement was entered into with the four groups under the leadership of the American Group, the Ministry is particularly desirous to be informed of the position of your principals in the premises.

Yours very truly,

CHANG YIN TANG.

[Inclosure 2.]

The Representative of the American Group to the Chinese Minister.

NEW YORK, *April 12, 1913.*

YOUR EXCELLENCY: Referring to your letter of April 11th, we beg to say that, owing to circumstances with which your excellency is familiar, it has been impossible to arrange for the issue of the currency loan, and, under the arrangements with your excellency's Government, the period in which the loan may be issued will expire on April 14th next, a date before which, of course, it will be impossible to make the issue.

In response to your excellency's inquiry as to the position of the American group, I have the honor to inform you that we have been obliged to withdraw from Chinese business, and have therefore cabled our representative in Peking that the American group will not request any extension of the period within which the loan may be issued.

We trust that this is an adequate answer to your excellency's communication.

Very truly yours,

WILLARD STRAIGHT.

[Inclosure 3—Telegram.]

Messrs. Morgan, Grenfell & Co. to the American Group.

LONDON, *April 12, 1913.*

Currency. Impossible to get any answer from European groups today in time for decision. We leave it to you therefore to cable McKnight that while willing continue advance you will take no steps continue option. It will then be for English, French, German groups act as they think fit in the matter and we have advised them accordingly.

[Inclosure 4—Telegram.]

The American Group to Messrs. Morgan, Grenfell & Co.

NEW YORK, *April 12, 1913.*

Currency. Refer to your cable of today. We have cabled McKnight today as follows:

The American Group to their Representative.

NEW YORK, *April 12, 1913.*

Currency. Being obliged withdraw from Chinese business we will not for ourselves request extension option on currency loan and have so advised Chinese Minister Washington in reply to enquiry from him. It is our strong desire to serve other groups. We have therefore advised them if they should wish extension of option, which they may, in view of reorganization loan not being yet completed, we would be willing extend with them our interest in advance but would not retain interest in option. You will therefore on April 14th cooperate with representatives of other groups to secure extension if requested by them to do so after making our position as above clear to them and Chinese Government. If not so requested you will on April 14th advise Chinese Government that the American group will not request extension of option, thereby relieving American group of any responsibility moral or otherwise in currency loan, advance made by us thereby becoming due and payable under terms of agreement. In view however suggestion State Department regarding reorganization-loan advances we will consider reasonable extension payment of advance if Chinese so desire. We have been unable to definitely learn attitude other groups on this question and they may therefore communicate instructions direct to Peking.

File No. 893.51/1386.

The American Group to the Secretary of State.

NEW YORK, *April 15, 1913.*

SIR: Referring to our letter of April 12th, outlining the position of the American group as regards the currency loan, we beg to enclose

herewith a copy of a telegram from Messrs. Morgan, Grenfell & Co., transmitting a message received from Peking reporting the action taken in pursuance of our telegraphic instructions to Mr. F. H. McKnight, in Peking, a copy of which was transmitted to you with our letter above referred to.

Very truly yours,

WILLARD STRAIGHT.

[Inclosure—Telegram.]

Morgan, Grenfell & Co. to the American Group.

LONDON, *April 15, 1913.*

Hong Kong & Shanghai Banking Corporation have received a cable from Peking, as follows:

Following for four groups: Currency loan. We have written Minister of Finance provided Chinese will pay forthwith accrued interest to date and will extend agreement in favor of English, French, German groups to October 14th next, all the four groups are prepared to extend £400,000 advance for six months subject to prior payments at option of groups out of proceeds any comprehensive reorganization loan which may be issued in the meantime. American representative cooperates with representatives other three groups, but we have explained Chinese that interest in [sic] American group in loan agreement ceases April 14th and that if extension granted all their obligations and rights thereunder will be assumed by English, French, German groups.

MORGAN, GRENFELL & Co.

CHINGHUA COLLEGE LOANS.

File No. 893.51/1365.

The American Group to the Secretary of State.

[Extract.]

NEW YORK, *March 31, 1913.*

SIR: Supplementing our letter of March 19th[1] covering transactions with the Chinese Government in which we referred to certain arrangements already made by us jointly with the British, German, French, Russian and Japanese financial groups, we beg now also to call your attention to the two loans which we separately have made to the Chinese Government for the maintenance of its organization for the education of Chinese young men in the United States under the arrangement made following the remission by the United States of a portion of the Boxer indemnity. * * * We authorized Mr. F. H. McKnight, our representative in Peking, to contract to lend to the Chinese Government for the purposes mentioned above the sum of $200,000. This agreement, which was approved by the American Minister at Peking, was signed on the twenty-sixth day of November, 1912. * * * We have now advanced to the Provisional Government of China $160,000 on account of this loan of $200,000 contracted for on November 26th, 1912. In accordance with the request of the Chinese Government, communicated through Mr. McKnight, our representative in Peking, we shall, on the first of April, pay $25,000 in Washington to the order of Director Wong Ting for the account of the Chinese Government, and transmit the sum of $15,000 to Peking, which advances will constitute the final installments on account of this loan.

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[1] See p. 171.

Under a further contract dated January 14th, 1913, the American group agreed to loan the Chinese Government the sum of $185,000 to repay the advance obtained by it from the International Banking Corporation for the maintenance of students as described above. * * * January 17th, we deposited * * * with the International Banking Corporation in New York $185,000 to the credit of the Provisional Government of China and to the order of Mr. Wong Ting.

The agreements above mentioned were concluded with the approval of the American Minister in Peking, and copies thereof were filed with the American Legation at the capital and, we assume, were transmitted to the Department of State and are now included in your official records. These agreements provide that the loans above mentioned shall be paid from the portion of the Boxer indemnity which is refunded to the Chinese Government by the Government of the United States as each payment of the indemnity is made by the former to the latter.

It is our understanding that with the consent of the powers Chinese indemnity payments have been deferred since November 1911. It has been our understanding, moreover, that these arrears would be liquidated from the proceeds of the reorganization loan. Inasmuch as we have withdrawn from the negotiations therefor, as we stated in our letter to the Department on the 19th instant, we now lay this matter before you and beg to request that at such time as you shall deem convenient you will take such steps as may be necessary to arrange for the payment of these obligations by the Chinese Government.

Very truly yours,

WILLARD STRAIGHT.

File No. 893.51/1365.

The Secretary of State to the American Group.

DEPARTMENT OF STATE,
Washington, April 3, 1913.

SIRS: I have to acknowledge the receipt of your letter of March 31 on the subject of loans made to the Chinese Government for the education of Chinese students in the United States under the arrangement made following the remission of the Boxer indemnity and in reply to state that the matter will be given due consideration by the Department.

I am [etc.]

W. J. BRYAN.

File No. 893.51/1432.

The American Group to the Secretary of State.

NEW YORK, *June 5, 1913.*

SIR: Referring to our letter of March 31, 1913, regarding the two loans made by the American group to Chinghua College, we beg to enclose herewith a copy of a communication, dated May 13, 1913,

addressed by Mr. D. A. Menocal, Manager of the International Banking Corporation in Peking, to the home office.

We should appreciate any information which the Department may give us as to the steps which have been taken in this matter.

Very truly yours,

WILLARD STRAIGHT.

[Inclosure.]

The Acting Manager of the International Banking Corporation to the General Manager.

PEKING, *May 13, 1913.*

DEAR SIR: In view of the fact that the outstanding arrears of the Chinese indemnity due to the American Government will be repaid from the proceeds of the reorganization loan as soon as arrangements are completed for this flotation, it is our intention to request the American Legation here to remind the proper authorities at Washington of the lien held by the American group upon that portion of the indemnity, and its arrears, to be returned to China by the United States Government. This hypothecation is covered by loan agreements between the American group and the Ch'ing Hua College dated the 26th November 1912 and the 14th January 1913. We consider it advisable to take this precaution for fear that the portion to be returned might be paid over to the Chinese Government either in Europe or America, when the parties receiving these funds may inadvertently apply them to other purposes before satisfying the rights held by the American group.

But as it is quite possible that the State Department may take no action upon such a telegraphic request from the American Legation here, we will wire you direct as soon as we send in our letter to the American Chargé d'Affaires, with the idea that you may take such action with the American Treasury Department as you deem necessary. At the same time we will, of course, communicate in the above sense with both the Ch'ing Hua College and the Minister of Foreign Affairs and Finance.

Yours very truly,

D. A. MENOCAL.

893.51/1460.

The American Group to the Acting Chief, Division of Far Eastern Affairs.

NEW YORK, *August 27, 1913.*

DEAR SIR: We beg to advise you that we have now been fully reimbursed by the Chinese Government for the two loans made by the American group to the Chinese Government and Chinghua College, for $200,000 and $185,000 respectively, together with accrued interest to August 21, 1913, inclusive.[1]

It seems to us fitting at this time to express our keen appreciation of your services on our behalf in the settlement of these loans.

You may be gratified to learn that we are this day in receipt of an official communication from the Chinese Legation at Washington, from which we quote as follows:

I avail myself of this opportunity to express to you, for your friendly aid to Chinghua College in time of stress, the grateful appreciation of my Government, to which I beg to add my own.

Very truly yours,

A. W. FIEDLER.

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[1] See letter of March 31, ante.

CARNEGIE STUDENT LOAN.

NOTE.—On June 10, 1913, the Director of Chinese Students in the United States, Doctor T. T. Wong, informed the Department that Mr. John W. Foster had requested Mr. Andrew Carnegie to lend the Chinese Government $200,000 for the support of the Chinese indemnity students, and that Mr. Carnegie had consented to do so. On June 12 Doctor Wong sent to the Department a memorandum, prepared by Senator Root, of the basis for arranging advances by Mr. Carnegie, one feature of which—the only one of interest to the Department—was that "Whenever the funds of the Republic of China become available to resume the payment of indemnity, the amount advanced under this arrangement is to be reimbursed from the first installments." (File No. 893.51/1452.)

On July 4, 1913, the Chinese Government authorized the loan and gave notice thereof to the American Legation. (File No. 893.51/1456.)

This loan is not related to those made by the American group of bankers set forth in the correspondence above.

MISCELLANEOUS LOANS.

NOTE.—The loans of which memoranda are here given have no direct connection with the loans heretofore treated and are mentioned merely as illustrative of the financial conditions alluded to from time to time in the foregoing correspondence. The file numbers are those of the communications conveying the data.

In this connection see despatch No. 929 of July 11, 1913, from the American Chargé d'Affaires to the Secretary of State and the instruction in reply dated September 11, 1913. (Ante, p. 183.)

Two Austrian loans of £2,000,000 and £1,200,000 respectively, made April 10, 1913, by Arnhold, Karberg & Co. for a group of Austrian banks, in an agreement of that date with the Minister of Finance. (File No. 893.51/1439.)

The Pukou-Sinyang Railway loan agreement of November 18, 1913, for £3,000,000 between the Central Railways, Ltd. (British) and the Government of China. (File No. 893.51/1483.)

The Hukuang Railway loan.[1] Letter from Willard Straight to the Department as to the validity of the loan agreement. (File No. 893.51/1381). Despatch from the American Chargé d'Affaires inclosing correspondence as to carrying out of loan agreement (File No. 893.51/1382). Same to same relative to proposed delegation of the rights of the American group to the International Banking Corporation (File Nos. 893.51/1402, 1426, 1413).

Belgian loan. The Compagnie Générale des Chemins de Fer et Tramways en Chine with the Government of China: telegram from

[1] For. Rel. 1912, pp. 87–88.

the American Minister stating that the Belgian company that constructed the Kaifeng-Honan railway signed a new contract on September 30, 1912, to build a line from Haichou via Kaifeng to Lanchou in Kansuh; 215,000,000 francs, the railway as security; the French interest in the company must consent before ratification. (File Nos. 893.51/1229, 1235; 1350 with text of contract and instruction to examine the project; 1419, reply to 1350.)

INDEMNITY PAYMENTS.[1]

File No. 893.51/1316.

The American Minister to the Secretary of State.

[Extract.]

No. 725.] AMERICAN LEGATION,
Peking, January 27, 1913.

SIR: I have the honor to report that the question of applying the surplus maritime customs receipts to the payment of accrued indemnity installments has been the subject of earnest discussion among the members of the Diplomatic Body. * * *

Before stating the issue involved, I will briefly recite the history of the events which lead up to it. As you doubtless know, a number of foreign loans were negotiated by the Chinese, before the Boxer trouble of 1900, for which the receipts of the maritime customs were pledged as security. This indebtedness remains in force, less the annual payment of amortization and interest charges. In addition, under the Protocol of 1901, the indemnity payments were also made a charge upon the customs receipts, but the lien of the latter is subordinate to that of the prior loans.

Under the old régime the customs receipts were paid direct to the local customs Taotai, a Chinese official, and became a part of the general funds of the Imperial Government. When payments on the loans and indemnity matured, the Chinese paid them out of their general funds without reference to the source from which they were derived; so that no question ever arose as to the relative rights of the loans and the indemnity, and no accounting of the customs receipts in reference thereto was ever made.

Soon after the revolution broke out, some of the treaty ports passed under the control of the revolutionists and others remained under the control of the imperialists. This condition of affairs threatened to demoralize the customs revenues and to divert the receipts, in whole or in part, from the payment of the debts for which they were pledged. The Diplomatic Body made an arrangement with the Imperial Government, whereby the current customs receipts were collected by the inspector general of customs and by him held and deposited in certain foreign banks in Shanghai for the account of the maturing payments on prior loans and indemnities. The revolutionists were not parties to this arrangement, but they respected it by their non-interference with the customs authorities or with the

[1] Continued from For. Rel. 1912, p. 159.

revenues collected. Under this arrangement the inspector general collected the revenues and deposited them in the Hongkong & Shanghai Banking Corporation, the Deutsch-Asiatische Bank, and the Russo-Asiatic Bank, at Shanghai.

At the time, it was thought that, by reason of the disturbed conditions through which the country was then passing, the customs receipts would fall off; and a contingency might arise wherein they would not be sufficient to take care of the maturing payments of the prior loans; and the three banks aforesaid were made depositaries for the customs receipts by common consent, because they were interested in the service of the loans as well as in the indemnity. No official report of the customs receipts for the year 1912 has yet been made, but it is unofficially reported that the increase over last year amounts to some Hk. Tls. 3,500,000.

The three banks aforesaid paid the loan obligations for the year 1912, as they matured, out of the receipts of that year, and on December 31st had on hand a surplus of some $10,273,682.09. These banks continued to hold this surplus, on deposit, in practically equal amounts, which gave them a marked advantage in the local financial market. This fact excited some unrest on the part of the other banks which are interested in the service of the indemnity, but are not interested in the prior loans. These banks claimed that the continued deposit of the surplus in the three depositary banks gave the latter a predominance in the local financial market to which they were not entitled. Therefore the dissenting banks complained to their respective Ministers and asked that the surplus be divided among and deposited with the indemnity banks, so-called, including the three depositary banks, in proportion to the respective national interests therein.

The French, Japanese and Belgian Ministers especially were active in supporting this demand of their banks, and at their suggestion a meeting of the Diplomatic Body was convened on January 16th to consider the question. * * *

The discussion continued through three several protracted meetings and, for a time, it seemed impossible to reach an agreement. Finally it was agreed to distribute the surplus reported on hand on December 31st, or as much thereof as will cover an even number of months, together with four per cent compound interest thereon, and leave the procedure for the year 1913 the same as it was during the year 1912; that is, the inspector general of customs will continue depositing the customs receipts in the three depositary banks as before. The British Minister said he thought that by September, or soon after, the accumulations will be enough to take care of the loan obligations for the year, and the subsequent receipts may be deposited, as collected, among the indemnity banks for the indemnity account.

We then formulated an identic letter to be sent to the respective banks and also a communication to be sent to the Foreign Office by the Dean, asking its consent to the arrangement and that an order be given the inspector general to distribute the surplus to the indemnity account in the manner agreed upon. My letter was sent the International Banking Corporation on January 18th, and on January 23rd I was notified by the Peking branch of the bank that a deposit of

$757,900 had been made therein at Shanghai for the account of the American Government. I have since received a reply to my letter to the International Bank at Shanghai. * * *

I have [etc.]

W. J. CALHOUN.

CLAIMS OF AMERICAN CITIZENS AGAINST CHINA.[1]

File No. 493.11H52/40.

The Acting Secretary of State to the American Minister.

[Extract.]

No. 290.] DEPARTMENT OF STATE,
Washington, October 4, 1912.

SIR: In view of the claims already presented and the likelihood that others will be forthcoming, it is requested that the Legation report what action, if any, has been taken by the commission appointed by the Diplomatic Body at Peking to formulate principles for the guidance of the various Legations in disposing of the claims of their respective nationals against China resulting from recent disturbances.

I am [etc.]

HUNTINGTON WILSON.

File No. 493.11/367.

The American Minister to the Secretary of State.

[Telegram—Paraphrase—Extract.]

AMERICAN LEGATION.
Peking, December 31, 1912.

At a meeting of the French and Japanese Ministers with the Chinese Minister for Foreign Affairs and the Minister of Finance this morning the Minister for Foreign Affairs admitted in principle his Government's liability for damages caused to foreigners by the revolution, and agreed that claims should be settled by the Government of China with the diplomatic representatives of the interested Powers. In case of disagreement about disputed claims they will be referred to arbitration. The Government of China is willing to borrow two million pounds sterling to pay these claims. The French and Japanese Ministers reported the above to their colleagues this afternoon.

CALHOUN.

File No. 493.11/379.

The American Chargé d'Affaires to the Secretary of State.

[Extract.]

No. 814.] AMERICAN LEGATION,
Peking, April 17, 1913.

SIR: Referring to the Department's instruction No. 290, of October 4, 1912, requesting the Legation to report what action, if any, had been

[1] Continued from For. Rel. 1912, p. 171.

taken by the commission appointed by the Diplomatic Body to classify the claims of foreign residents of China arising out of the revolution and to make recommendations in regard to them, I have the honor to send enclosed a copy of the commission's report, which was presented to the Diplomatic Body at its meeting held April 7th. The diplomatic representatives, after some slight amendments, adopted the report and decided to recommend its approval by their Governments.

Mr. Calhoun was chairman of the commission mentioned, and the report was practically completed before he left. Upon his departure, at the request of the commission, I accepted a place thereon, but there was only one meeting held thereafter: that for the final reading and adoption of the report.

* * * The principle of liability was admitted by the first Premier of the Republic, Tong Shao-yi, in his address at Nanking on March 29th, 1912 [before the so-called National Assembly, at Nanking]. Practical recognition of the liability was also given by the settlement of certain claims of French citizens in the Province of Yunnan. These, however, were probably settled by the provincial authorities. A general admission of the principle of liability was made also by the Minister of Finance in his letter of February 1, 1913, to the six Ministers. * * *

But to dispel all doubt in regard to the matter a committee consisting of the Ministers of Great Britain, France, Germany and Italy was appointed by the Diplomatic Body on April 7th to call upon the Minister of Foreign Affairs and discuss the subject with him. * * * As will appear from the report of the committee, enclosed, the Ministers mentioned called upon the Minister of Foreign Affairs on April 10th and stated that they had been appointed to discuss with him the question of foreign claims arising out of the revolution and to propose that the Foreign Office should appoint representatives to meet representatives of the different Legations to go into the claims and agree upon the amounts due.

The report of the committee came up for consideration at the next meeting of the Diplomatic Body, April 16th. It was decided to agree to the proposal of the Minister of Foreign Affairs that representatives of the Ministries of Finance and the Interior, if so desired, should take part in the joint examination of claims and to propose that the meetings be held at the Foreign Office three days each week. It was further agreed that the order in which the Legations should present their claims should be determined after the Chinese Government should have appointed its representatives. * * *

The Diplomatic Body further agreed that the head of each Mission, in transmitting to his Government the report of the commission on classification of claims, should point out the desirability of approving the report without amendment, if possible, in order to secure uniformity in the treatment of claims by the several Powers and prevent delay in their consideration. Amendment by one or more Powers may lead to further prolonged discussion and consequent loss of time.

It was decided to be advisable, furthermore, to call attention to the statement made in the second paragraph of the report on classification of claims to the effect that the commission did not consider

it within their province to express an opinion on the subject of indemnities to foreign governments for military and naval expenses, and to suggest that the foreign offices of the Powers concerned should consult together and agree upon a uniform policy in regard to such expenses. I have the honor, in reporting this suggestion to the Department, to express the hope that the impoverished Government of China will not be compelled to bear the heavy burden of compensation for such expenditures, and that the Department may be disposed to use its good offices to induce the other Powers concerned to accord the young Republic of China a generous treatment in this regard. * * *

In transmitting this report, I have the honor to request that if it shall meet with the approval of the Department, I may be instructed by cable to that effect so that the Legation may at once proceed to classify American claims accordingly and formally present to the Chinese Government those that fall within the categories A and B.

I have [etc.]

E. T. WILLIAMS.

[Inclosure 1.]

Diplomatic Circular No. 58.

PEKING, *March 14, 1913.*

The Dean has the honour to circulate a report which he has received from the Commission appointed by the Diplomatic Body to investigate the question of foreign claims arising out of the Revolution and would suggest that it should form the subject of examination at a meeting of the Heads of Missions.

REPORT OF THE CLAIMS COMMISSION.

The Commission entrusted by the Diplomatic Body with the examination of the principles relating to foreign claims arising out of the revolution have in the first instance examined each case communicated to them by the various legations. They then grouped the claims according to their general character and subdivided them in convenient categories. The object of the Commission in so doing was to furnish the Diplomatic Body with a common basis for estimating the acceptability of the claims which have been or will be submitted by those interested to their respective Legations.

The Commission did not consider it was within their province to express an opinion on the subject of indemnities to foreign Governments for military and naval expenses as the decision whether or not to present such claims rests, in the view of the Commission, with the Governments themselves.

It will be seen then that the Commission have divided the claims into four general classes. Class A covers those which, in their opinion, must be regarded as arising directly and immediately out of the Revolution, and the responsibility for which the Chinese Government cannot disclaim. Class B embraces claims which, while legitimate in principle, are probably not in every case attributable to the Revolution and are therefore open to discussion. Class C covers claims for losses in respect of which the Commission do not consider that an indemnity can fairly be demanded from the Chinese Government. Class D includes claims which the Commission do not consider can properly be classed among the Revolutionary claims.

The accompanying minutes of the meetings will be found to illustrate the views of the Commission on the several questions which arose in the course of discussion and the Commission confine themselves here to drawing attention to the following points in particular:

In the case of merchandise destroyed or looted, it is understood that the owner ought to be entitled to compensation equal to the market value of the goods prevailing at the time of loss, or in the case of export goods, to the contract price.

In determining the rates at which compensation should be paid for death or injury the Commission have the honour to suggest that the principles adopted by the Crown Advocate of His Britannic Majesty's Government in adjudicating the Boxer claims might be followed. An extract from Mr. Wilkinson's report is enclosed for the convenience of the Diplomatic Body.

In the case of damages caused to foreigners by the destruction, deterioration or loss of property held by them as security, it should be understood that the indemnity payable on that account cannot exceed the amount of the debt for which such security was given.

It should be explained that in the use of the words "Chinese Government" or "Chinese authorities," the Commission have drawn no distinction between the Imperial and the Revolutionary or Republican authorities.

The Commission recommend that interest payable on claims admitted should not exceed five per cent. on personal claims or seven per cent. on commercial claims from the date of loss to the date of payment.

CLASS A.

Indemnities to Municipalities:

1. Destruction and loss, as the direct result of the Revolution, of movable and immovable property belonging to foreign municipalities.

2. Expenses for protection and self-defense, including loss caused by the deterioration and [sic] unused provisions recognized as of a municipal character.

Indemnities to Societies, Firms and Individuals:

3. Destruction and loss of movable and immovable property, including goods, personal effects, money and documents of commercial value belonging to foreign societies, firms and individuals, whether in the capital, a treaty port, or in the interior: (a) in the course of or as a direct result of warlike operations, or by the act of looting soldiers or other undisciplined troops; or (b) by the act of robbers or pirates or as a result of acts of an anarchical character.

4. Goods under transit pass imported or destined for export, the property of foreign merchants, looted or destroyed by Chinese soldiers and robbers in the interior.

5. Loss sustained owing to appropriation by Chinese authorities of sampans, wharfs, pontoons, hulks, launches, pontoon bridges, railway material, ammunition and other explosives and any other kind of goods belonging to foreigners.

6. Compensation for: (a) foreigners who lost their lives or were injured physically and incapacitated as a result of the Revolution; and (b) Chinese in foreign employment similarly affected in the performance of their duty to their foreign employers.

7. Salaries and other payments due under contract to foreigners in Chinese Government service or institutions unpaid owing to the Revolution.

8. Actual loss for non-fulfillment or delay in execution, owing to the Revolution and through no fault of the foreign claimants, of contracts and other engagements entered into by foreign firms and individuals with the Chinese authorities; such loss includes freight, reshipment, storage, insurance, and loss or deterioration of goods.

9. Traveling expenses of foreigners in Chinese official or semi-official service to an adjacent place of safety and return journey. Extra living expenses during absence, and rent of houses.

10. Deposits of money or investments in Chinese Government Banks or other Government Departments, not recovered.

11. Actual loss in industrial enterprises such as damage to and deterioration of machinery and materials, resulting from unavoidable suspension or delay in working owing to local Revolutionary disturbances.

12. Rents not recoverable and rents paid in advance where occupation and use were actually prevented by military operations or the acts of Chinese soldiers.

13. Damages caused to foreigners by the destruction, deterioration or loss of property held by them as security.

CLASS B.

Indemnities to Societies, Firms and Individuals:

1. Expenses incurred in protecting movable and immovable property belonging to foreign societies, firms and individuals in the capital, in a treaty port or in the interior.

2. Fees and expenses incurred in determining the amount of damage sustained, of whatever nature.

3. Loss of personal effects, including money, of Chinese employees of foreign firms and individuals.

4. Demurrage caused by the detention of ships or prohibition of voyage: (a) under orders of the Chinese authorities; (b) as a measure of precaution or necessity taken by the foreign consuls or others in authority.

5. Actual loss for non-fulfillment or delay in execution, owing to the Revolution and through no fault of the foreign claimants, of contracts and other engagements entered into by foreign firms and individuals with: (a) other foreign firms and individuals; (b) Chinese firms and individuals. Such loss includes freight, reshipment, storage, insurance and loss or deterioration of goods. Also forfeits actually paid.

6. Traveling expenses of foreigners (not in Chinese official or semi-official service) to adjacent places of safety, but not the expense of the return journey.

7. Debts and professional fees recognized as valid, which can no longer be recovered, owing to the death, flight or insolvency of Chinese debtors or clients traceable to the Revolution.

8. Usual salaries of foreign employees of foreign firms whose services could not be turned to account.

9. Diminution as the result of pillage in the value of guaranties given by compradores to foreign firms.

CLASS C.

Indemnities to Municipalities:

1. Diminution of municipal income caused by the Revolution.

2. Rents of houses paid in advance where occupation was prevented.

3. Salaries and wages of employees whose services could not be turned to account owing to the Revolution.

Indemnities to Societies, Firms and Individuals:

4. Telegrams and such like charges necessitated by the abnormal state of affairs.

5. Prospective profits not realized owing to the nonfulfillment or delay in the execution of contracts and other engagements entered into by foreign firms and individuals with: (a) the Chinese authorities; (b) other foreign firms and individuals; (c) Chinese firms and individuals.

6. Extra living expenses incurred by foreigners owing to enforced absence from the usual place of residence, e. g. rent of houses and temporary accommodation of business. All similar expenses incurred in respect of Chinese servants and employees.

7. Expenses of removing property of whatever kind to a place of safety and replacing it.

8. Expenses incurred for reduction of staff. Extra wages for foreign and Chinese employees.

9. Freight, insurance and storage of stock-in-trade which could not be realized or suffered depreciation and expenses through congestion of stock.

10. Interest on capital which could not be utilized owing to the troubles.

11. Loss of prospective profit owing to partial or wholesale deterioration of stock-in-trade.

12. Loss owing to fluctuation of exchange, appreciation or depreciation of market prices and appreciation of freight and transport.

13. Additional wages necessitated by the rise in the price of labor.

CLASS D.

1. Claims for principal and interest on provincial loans unpaid.

2. Loss owing to inconvertibility or depreciation of Chinese Government and provincial bills and paper money attributed to the Revolution.

3. Claims in respect to alleged illegal and unwarranted imposition of taxes during the disturbances.

(signed) C. SFORZA
E. T. WILLIAMS
ROBERT EVERTS
K. MIDZUNO
E. S. SCOTT
BORIS PELEKHINE
G. RIEDESEL
J. BOREL

PEKING. *March 13, 1913.*

[Inclosure 2.]

Extract from Mr. Wilkinson's Report.

Claims for compensation for the death of relatives fall naturally into two classes: Claims on behalf of the children of murdered parents and those by other relatives for loss of support, total or partial, actual or reasonably prospective, rendered or undertaken by those killed.

Death claims on behalf of children were dealt with as follows: The children's ages and the station of life of the parents being ascertained, a sum equivalent to the present value of an annuity at three per cent. of whatever sum was necessary and fitting for the education of each child for the number of years to elapse before attaining the age of twenty-one was calculated and allowed. In addition to this, such sum was allowed as would, invested at compound interest at three per cent. for the same number of years, provide for each child at twenty-one a necessary and fitting sum for his advancement in life.

In dealing with death claims on behalf of relatives, the age of the beneficiary was ascertained and also the actual or average annual sum received from the deceased. The average expectation of life of a person of the claimant's age being taken, a sum equal to the present value of an annuity for such number of years at three per cent. of such annual sum was awarded. In case of prospective benefit to have been received if the murdered person had lived, the sum promised or reasonably expected to be paid by the deceased was taken as a basis of calculation.

In case of partial disablement I adopted, where practicable, the following method of assessment: I obtained evidence as to the extent to which the life of the claimant was, from an insurance point of view, damaged; that is to say, the amount of extra premium which an insurance office would demand on the claimant, if otherwise sound, applying for a policy on his life, the extent of which they would "load" the policy. The principal sum on which my calculation was based being that in which the claimant would naturally, from his position in life, take out a policy if about to marry, I then allowed the capitalized value of these extra premia as compensation for the injury received.

[Inclosure 3.]

Diplomatic Circular No. 78.

PEKING, *April 12, 1913.*

The Dean has the honour to circulate herewith the procès-verbal of the interview which the Italian, German and French Ministers and himself had with Mr. Lu on the 10th instant respecting the foreign claims arising out of the revolution.

The Dean has the honour to suggest that this question should be further discussed at a meeting of the Diplomatic Body and he begs to invite his Honourable Colleagues to come to the British Legation for the purpose on Wednesday, the 16th instant, at 3.00 p. m.

PROCÈS-VERBAL.

The Ministers of Great Britain, Italy, Germany and France called on Mr. Lu—with whom was Mr. Wang—at 4.30 p. m. on Thursday, April 10, 1913.

The Ministers informed Mr. Lu that they had been deputed by the Diplomatic Body to discuss with him the question of foreign claims arising out of the Revolution. The Diplomatic Body had appointed a Commission to examine the principles relating to these claims and this Commission had now completed its task of classifying the claims communicated by the various Legations in accordance with the principles agreed upon. The report of the Commission having been presented to the Diplomatic Body, the latter now desired to propose to Mr. Lu that the Wai Chiao Pu should appoint representatives to meet representatives of the different Legations to go into the claims and agree upon the amounts due with a view to future payment.

Mr. Lu said that the Chinese Government accepted the principle of liability for losses arising out of the Revolution and he welcomed the proposal of the

Diplomatic Body; he presumed that the latter would arrange the order in which the claims of the different Legations should be dealt with.

The Ministers replied that they would report Mr. Lu's answer to the Diplomatic Body who would then make further suggestions as to the procedure to be followed.

Mr. Lu added that he would inform the Cabinet of the result of this interview the following day and as it was possible that other Ministries—such as the Ministry of Finance and the Ministry of the Interior—might desire to be represented at the joint examination of claims, he would be glad to learn how a request for such representation would be viewed by the Diplomatic Body.

The Ministers replied that, speaking for themselves, they had no objection to the proposal, which would probably tend to facilitate matters; they would lay the matter before the Diplomatic Body and would communicate further with Mr. Lu on this and the other points raised at an early date.

Mr. Lu suggested that the place of the proposed conference should also be considered at the same time and concluded by expressing his desire to do all in his power to promote an early and satisfactory solution of the whole question.

(Signed) J. N. JORDAN
C. SFORZA
HANTHAUSEN
A. R. CONTY

[Inclosure 4 [1]—Extracts.]

The Ministry of Foreign Affairs to the Six Ministers.

MINISTRY OF FOREIGN AFFAIRS.
Peking, February 1, 1913.

YOUR EXCELLENCIES: With reference to the reorganization loan at present under negotiation, there are certain points which require elucidation. On January 9th I received your excellencies' joint memorandum on the subject and after consultation with the Minister of Finance I have decided on the following arrangement in two articles:

(1) The Chinese Government agrees to grant just and equitable indemnities for the loss and damage suffered by foreigners during the recent revolution. To this end the Chinese Government will set aside a sum of two million pounds sterling out of the proceeds of the present loan of £25,000,000 for the purpose of meeting the indemnities above referred to.

(2) The admissibility of the claims and the amount of the indemnities to be paid shall be jointly determined by the Legations and the Chinese Government. In case of disagreement, recourse shall be had to arbitration.

* * * * * * *

The above two articles being of a satisfactory nature, the arrangement therein contained can be adopted, and I have the honor to inform Your Excellencies accordingly.

With compliments,

MINISTRY OF FOREIGN AFFAIRS.

File No. 493.11/379.

The Secretary of State to the American Chargé d'Affaires.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, June 11, 1913, 5 p. m.

Replying to Legation's No. 814. The Government of China having accepted the principle of liability for losses arising out of the revolution the Department approves the report of the commission on foreign claims. The American claims may accordingly be classified

[1] Inclosure to File No. 893.51/1358.

but they will be reviewed by the Department before they are presented to the Chinese Government. Final instruction will be given to the Legation in accordance with the facts and circumstances of each claim.

BRYAN.

File No. 493.11/418.

The American Chargé d'Affaires to the Secretary of State.

No. 970.] AMERICAN LEGATION,
Peking, August 13, 1913.

SIR: With reference to the request contained in the memorandum of July 15, 1913, from the Ministry of Foreign Affairs,[1] a copy of which was forwarded to the Department with my No. 932 of the 17th ultimo, I now have the honor to enclose a copy of the Legation's memorandum of even date to the Ministry of Foreign Affairs transmitting a tentative list of claims for losses incurred by American citizens during the revolution (1911–1912). I have the honor to enclose, also, a copy of Diplomatic Circular No. 174,[1] from which it will be noted that the Legations in Peking will send identic memoranda to the Foreign Office.

I have [etc.] E. T. WILLIAMS.

[Inclosure—Memorandum.]

The American Legation to the Ministry of Foreign Affairs.

In the memorandum dated July 15, 1913, the Wai Chiao Pu expressed a desire to be furnished with a list of claims arising out of the Revolution and declared that its motive for making this request was to gain time and to facilitate the ascertainment of the claims.

The American Legation appreciates this motive and shares the Wai Chiao Pu's desire to expedite the settlement of the claims and therefore transmits herewith to the Wai Chiao Pu a list of the private claims arising out of the Revolution.[1]

Though the American Legation has endeavored to render the list as complete as possible it reserves to itself the right to add new claims to those specified in the enclosed document.

The American Legation wishes to express a desire that instead of only one committee which would discuss the claims with the representatives of all the Legations in succession, the Chinese Government should appoint several subcommittees, working if necessary under the direction of one president, each competent to discuss, with the respesentatives of a limited number of Legations, the private claims appertaining to the citizens of their respective States. This measure will realize the common desire to gain time.

AMERICAN LEGATION,
Peking, August 13, 1913.

File No. 493.11/415.

The Minister of The Netherlands to the Secretary of State.

[Translation.]

LEGATION OF THE NETHERLANDS,
Bar Harbor, August 31, 1913.

MR. SECRETARY OF STATE: The Queen's Government is considering the question of claiming an indemnity from China, in repayment of

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[1] Not printed.

the cost of the military measures taken during the revolution for the protection of Dutch citizens residing in China.

I am instructed and have the honor to have recourse to your excellency's customary kindness to the end that you will kindly inform me whether the Government of the United States has already reached a decision in that respect. As your excellency knows, the Heads of Mission at Peking agreed in April last to refer this question to their Governments.

Begging your excellency kindly to enable me to report to my Government, at an early date if possible, I embrace [etc.]

J. LOUDON.

File No. 493.11/389.

The Counselor of the Department of State to the Secretary of State.

[Memorandum.]

SEPTEMBER 18, 1913.

The crisis of 1900 is not a precedent in this instance. That was a purely anti-foreign movement, not resisted by the Government; the present crisis that of a domestic revolution. Where governments send their military and naval forces to foreign countries in case of domestic disturbances, it is not customary for them to make the expense a charge against the foreign country.

J. B. MOORE.

File No. 493.11/389.

The Acting Secretary of State to the American Chargé d'Affaires.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, September 18, 1913.

Informs him, in reply to his No. 911, that the Government of the United States does not contemplate presenting any claim for the expenses incurred in the maintenance of troops in China during the revolution. Authorizes him to inform his colleagues.

OSBORNE.

File No. 493.11/415.

The Secretary of State to the Chargé d'Affaires of The Netherlands.

No. 246.] DEPARTMENT OF STATE,
Washington, September 20, 1913.

SIR: Referring to your note of August 31 last, inquiring whether the Government of the United States intended to claim an indemnity from the Chinese Government for the cost of military measures taken by the United States during the revolution in China, I have the honor to inform you that this Government does not contemplate presenting any claim for reimbursement.

Accept [etc.]

For the Secretary of State:
ALVEY A. ADEE.

File No. 493.11/450.

The American Chargé d'Affaires to the Secretary of State.

No. 2001.] AMERICAN LEGATION,
Peking, November 3, 1913.

SIR: With reference to that part of my No. 1035 of the 3d ultimo[1] relative to the statement of the Chairman of the International Claims Commission, the Vice Minister for Foreign Affairs, that after December 31, 1913, the Chinese Government would not entertain any claims for indemnity for losses incurred during the Revolution (1911–1912) which were not submitted before that date, I have the honor to enclose a copy of the Legation's note of the 29th ultimo protesting against this proposal, together with a copy in translation of the reply of the Ministry for Foreign Affairs, in which it is suggested that, previous to December 30th, the Legation submit a list of the claims to be presented, the names of the claimants, the localities where the losses occurred, and the amount of the claims, and stated that the details of the claims, the proofs to be submitted, and the method of investigation might be brought up for discussion at the time of settling the claims.

I have [etc.] E. T. WILLIAMS.

[Inclosure 1.]

The American Chargé d'Affaires to the Minister for Foreign Affairs.

AMERICAN LEGATION,
Peking, October 29, 1913.

EXCELLENCY: With reference to the claims submitted by foreigners on account of losses sustained in the Revolution I have the honor to observe that in the minutes of the first meeting of the International Claims Commission on September 30, 1913, it is recorded that the Chairman of the Commission, His Excellency Ts'ao Ju-lin, Vice Minister for Foreign Affairs, stated that all claims submitted after December 31, 1913, would fail of consideration by the Commission, and it is further recorded that the Acting American Claims Commissioner made the statement that the American Legation was unable to agree to this time limitation.

In confirmation of the above statement I have the honor to inform your excellency that owing to the very careful scrutiny to which American claims are being submitted by the Department of State there is a possibility that these claims may not be ready for presentation to the Chinese Government until after December 31, 1913. At the same time I am unable on that account to waive their consideration, and I am compelled to insist that these claims shall receive the same attention that they would were they presented before December 31, 1913.

I avail [etc.] E. T. WILLIAMS.

[Inclosure 2—Translation.]

The Minister for Foreign Affaires to the American Chargé d'Affaires.

FOREIGN OFFICE.
Peking, November 1, 1913.

SIR: I have the honor to acknowledge the receipt of your note stating that in the matter of the claims for losses suffered by foreigners during the Revolution, it was recorded in the minutes of the first meeting of the International Claims Commission that claims presented after December 31, 1913, would fail of consideration by the Commission; but you went on to state that owing to the very careful scrutiny to which American claims are being submitted by

[1] Not printed.

the Department of State there is a possibility that these claims may not be ready for presentation to the Chinese Government until after December 31, 1913; you stated, however, your inability on that account to waive their consideration, and you requested that these claims should receive the same attention that they would were they received before December 31, 1913.

I have the honor to point out that if no time limit is set within which the claims for losses as stated above must be presented, there is danger that their consideration will be unduly protracted, thus delaying indefinitely the indemnifying of foreign merchants and other citizens for their losses in the Revolution. The Ministry could not but feel great regret at such a result, and at the time of the first meeting of the Claims Commission the various Commissioners offered no objection to the plan; hence it seemed very feasible.

However, since you have on these several occasions consulted with regard to a slight modification of the procedure in your case I cannot but accede to your desires. I have the honor to suggest, therefore, that previous to December 30, 1913, the number of the claims to be presented, the names of the claimants, the localities where the losses occurred, and the amount of the claims, be set forth in writing for record. The details of the claims, the proofs to be submitted and the method of investigation can all be brought up for discussion at the time of settling the claims. This seems quite practicable, although an exception made in your favor, and it is hoped that you will realize the good faith that prompts it and do all in your power to further the plan.

With my compliments,

SUN PAO KI.

File No. 493.11/432.

The Secretary of State to the American Minister.

[Extract.]

No. 9.] DEPARTMENT OF STATE,
Washington, December 3, 1913.

SIR: The Department is in receipt of the Legation's dispatch No. 1035 of October 3, 1913, in regard to the representation of this Government on the Commission for the investigation of claims arising out of the Revolution in China.

The Department approves the course of the Legation in detailing Mr. Peck temporarily to represent the Legation on the Commission and likewise approves Mr. Peck's protest against the limitation of time for the presentation of claims to December 31, 1913.

Inasmuch as Mr. Williams, Counsul at Dalny, investigated outrages on Americans in Shensi and is now engaged on American claims at Peking, the Department designates him as permanent representative on that Commission and authorizes the Legation at its discretion to demand an extension of at least six months in the time within which claims may be presented.

I am [etc.] For the Secretary of State:
J. W. FOLK.

File No. 493.11/457.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Peking, December 19, 1913.

The Chinese Government desires to pay each claim arising out of the revolution as soon as it is allowed. The Diplomatic Corps has not

yet reached a decision to accept immediate separate payment of the claims. It may be difficult to secure payment of claims after the sum of two million pounds sterling set aside for that purpose is exhausted. Authority is requested to present each American claim immediately upon its approval. It is further requested that the Legation be authorized to urge upon the Diplomatic Corps to give priority to such claims as are founded on direct and proximate results of the revolution.

REINSCH.

File No. 493.11/457.

The Acting Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, December 20, 1913.

Authorizes him to present each American claim upon its approval by the Department and to urge the Diplomatic Corps to give priority to claims for actual losses resulting directly from the revolution. His efforts to this end should not commit this Government to the prejudice of such freedom of action as might be necessary in case other Governments should support claims for actual but indirect losses.

MOORE.

SECOND INTERNATIONAL OPIUM CONFERENCE. REPORT OF THE AMERICAN DELEGATES. RATIFICATION BY THE UNITED STATES OF THE OPIUM CONVENTION.[1]

File No. 511.4A1/1364b. H. Doc. No. 33, 63d Cong., 1st sess.

Message from the President to the Congress transmitting a communication from the Secretary of State.[2]

TO THE SENATE AND HOUSE OF REPRESENTATIVES:

In transmitting the accompanying report from the Secretary of State, I most strongly urge not only the immediate appropriation of the sum of $20,000 which is asked, the absolute necessity for which is so apparent, but also the enactment of the requisite anti-drug legislation to which this Government is pledged internationally.

It is a source of gratification to me personally, and it will always be, I am confident, a subject of gratification to the nation, that this Government, realizing the extent of the opium and allied evils, should have initiated the world-wide movement towards their abolition. At this vital period of the movement, to fail to take the few final steps necessary definitively and successfully to conclude the work would be unthinkable, and I therefore trust that there may be no delay in the enactment of the desired legislation, and the consequent mitigation if not suppression of the vice which has caused such world wide misery and degradation.

WOODROW WILSON.

THE WHITE HOUSE, *April 21, 1913.*

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[1] Continued from For. Rel. 1912, pp. 182–224; see also in that volume the Annual Message of the President, p. xix.

[2] Referred to the Committee on Appropriations.

The Secretary of State to the President.

DEPARTMENT OF STATE,
Washington. [Not dated.]

THE PRESIDENT:

Since the early days of our relations with China and other Oriental countries it has been a constant policy of this Government to aid such countries in their efforts to prevent the development of an opium evil within their borders, or to assist them towards the eradication of such an evil where it already existed. In conformity with this established policy, and as early as 1833, in the various treaties negotiated with China, Japan and Siam, American citizens were absolutely forbidden either directly or indirectly to engage in the opium trade, or were permitted to engage in the trade only in conformity with the laws of those countries.

In the autumn of 1906, when this Government learned that China had set on foot earnest efforts to crush out the opium evil within her boundaries, it initiated an international movement which aimed to secure on behalf of the Chinese effort the cooperation of those Western Powers having territorial possessions in the Far East and who were concerned therefore in the economic, diplomatic and other controversies arising from the Far Eastern opium traffic. The international movement inaugurated by this Government was not only fully justified by the fact that it had since its earliest contact with the Orient forbidden American citizens to engage in the opium trade, but because it was found necessary to protect the population of the Philippine Islands against the effects of the traffic. In furtherance of its purpose this Government in September, 1906, entered upon a correspondence[1] with the Governments of Great Britain, France, Germany, Japan, the Netherlands and China to ascertain if the time had not arrived for the interested Governments to determine if the entire Far Eastern opium traffic could not be brought to an end. The above mentioned Governments willingly offered to cooperate with the United States, and agreed to a joint investigation of the question. Thereupon six other nations, namely Russia, Austria-Hungary, Italy, Portugal, Persia and Siam, particularly interested in the Orient, were also invited to join in the investigation, and in February, 1909, there met at Shanghai, China, the International Opium Commission.[2] That Commission thoroughly examined the opium question in all its bearings, and arrived at nine unanimous conclusions which in substance condemned the evils associated with the production and use of opium and morphine, and contained recommendations as to the measures to be taken to bring such abuses to an end.

But the International Opium Commission was not empowered to negotiate a convention binding the participating powers. It was a commission for the purpose of study, consideration and recommendation. To obtain a more positive result, a further step was necessary: an international convention to be agreed upon in conference by delegates of the interested Governments, such a convention to provide not only international rules under which opium should be produced and the traffic therein conducted, but also the general rules by which opium

[1] For. Rel. 1906, pp. 352–369.

[2] For. Rel. 1909, pp. 95–115.

should be confined to strictly medicinal purposes in the territories of the different countries. Accordingly, in the autumn of 1909 this Government issued a proposal [1] to those Governments which had been represented in the International Commission that there should be a conference composed of delegates with full powers to meet at The Hague or elsewhere to conventionalize the conclusion arrived at by the International Opium Commission and the essential corollaries derived therefrom. The proposal contained a tentative programme which proved to be generally acceptable.

The Netherlands Government very promptly and courteously requested that the Conference meet at The Hague, and on December 1, 1911, on invitation of the Queen of the Netherlands, a conference of the powers represented in the Shanghai Commission, assembled there,[2] and the delegates thereto were authorized by their Governments to formulate and sign an international convention.[3] In the correspondence between the United States and the several Governments which led to the assembling of the Conference the necessity for the consideration not only of the opium evil, but also of the morphine, cocaine and Indian hemp drug evil was developed, and it was agreed by the interested Governments that those questions were to be included in the programme of work, and by convention were to be placed under the same limitations as opium.

On the 23rd of January, 1912, the delegates to The Hague Conference signed a Convention [4] composed of strict stipulations as to the production and the international and national traffic in opium, morphine and cocaine; and, an important point, it confirmed to China all that had been agreed upon between that country and Great Britain by virtue of their agreement of May 8, 1911. (See Senate Document No. 733, 62nd Congress, 2nd Session.[5])

That the questions dealt with by the Shanghai Commission were not only humanitarian and moral but also questions of great economic importance, had been partly realized and was steadily developed during the sittings of The Hague Conference. Since it was found that they affected not only the revenue and economic interests of the twelve powers with Oriental relations whose representatives had assembled at The Hague but also the major part of the other nations of the world, the Conference came to the conclusion that to make its Convention effective it was necessary to secure adherence thereto by the other nations of the world. Therefore the Convention was so drafted that it was not to become effective until thirty-four other nations named in Article 22 of the Convention should add their signatures to the instrument by means of a Protocol of Supplementary signatures to be opened at The Hague.

The necessary supplementary signatures to the Convention were to be secured by December 31 last, the Netherlands Government and the United States cooperating to that end. In the event of failure to secure all thirty-four signatures the Netherlands Government engaged immediately to call a final conference of all signatory powers, that conference to determine upon the deposit of ratifications of the Convention. Up to the 31st of last December, the two Governments had secured the signatures, or been assured of the signatures,

[1] For. Rel. 1909, pp. 107–111.
[2] For. Rel. 1911, p. 56.
[3] For. Rel. 1912, p. 188 et seq.
[4] Id., p. 196 et seq.
[5] Id., 193 et seq.

of all of the Latin-American States except one; while but three of the European States had declined to sign. Since a few of the necessary thirty-four signatures have not been subscribed to the Convention, a second and final conference has now become necessary, and the Queen of the Netherlands has therefore invited all the signatory Governments to send delegates with full powers to The Hague in June next to agree upon the deposit of ratifications of the Convention, which it is to be hoped will definitively bring to an end the deplorable and ruinous abuses connected with the production and traffic in opium, morphine and cocaine.

This, Mr. President, is a movement which I have closely followed for the past six years. I have examined all the essential facts and documents relating thereto, and have been gratified to review the growth of this humanitarian, moral and economic movement from a consultation between this Government and five or six of the great powers of the world to one which now embraces the cooperation and has the sanction of almost the entire group of civilized states, and this in spite of the fact that it means past and future financial losses to the powers concerned of over fifty million dollars aggregate annual revenue. The entire movement illustrates a principle abroad in and stamped with the approval of the world to-day, namely, that the peoples are now agreed that an evil such as the opium evil is never wholly national in its incidence, can never be suppressed by two nations alone, as was supposed to be the case with the Far Eastern opium traffic, but that such an evil as it appears in one State is a concomitant or reflex of a similar evil in other States, and therefore is international in its moral, humanitarian, economic and diplomatic effect; further that few evils can be eradicated by national action alone, and therefore that there must be cooperation of all the states directly or indirectly interested before such an evil is mitigated or suppressed. This movement, in which the United States has taken so large a part, was thought at first to concern only those countries of the Far East or those Western nations having territorial possession in the Far East, five or six in number. But it has proceeded by way of a sober international Commission of inquiry composed of Commissioners representing thirteen nations, and by a Conference composed of delegates with full powers representing twelve of these nations. Those delegates having formulated and signed on behalf of their Governments a Convention containing strict pledges for national legislation and international cooperation, it was presented to the remaining states of Europe and America, thirty-four in number, for their signature; and so far only three of the thirty-four have hesitated.

I have seen in the Orient and elsewhere the havoc wrought by the abuse of opium, and I feel a pride that our Government has been in the forefront of a progressive movement which by the cooperation of the other nations of the world, has been carried to the point where but a final step is necessary effectually to put an end to the misuse of drugs which, while of inestimable benefit to humanity when properly used, are such a curse when abused.

That this international movement for the suppression of the opium traffic has been of incalculable benefit to China, and has been one of

the chief factors in her modern rehabilitation cannot be denied, and there can be no doubt that the civilized world has rallied to the support of that country in her opium crusade, because of the fact that that crusade is not spasmodic and a matter of authority, but genuine, and of and by the will of the Chinese people.

The economic burden imposed upon China by the abuse of opium was well-nigh unbearable. It has been stated on the highest authority that up to the time the opium reform movement began the Chinese people expended over 150 million dollars a year on the consumption of foreign and native opium; that the value of the land given over to the production of native opium, were it planted with wheat or other more useful crops, would yield to the Chinese people an annual return in the neighborhood of 100 million dollars; that the average earning capacity of the millions who were addicted to the habit of opium smoking was reduced one quarter, resulting in an annual loss in productive power of nearly 300 million dollars, or a total annual loss to China of about 550 millions of dollars. In this calculation no account is taken of the capital loss involved.

It would be easy for me to point out that the release of China from her opium evil will redound to the credit of all nations concerned and leave a vast number of her people free to spend their energies in the development of internal and foreign commerce to an extent that our commercial bodies have long realized, to the material benefit of China and of those nations who have so loyally assisted her in her great internal movement for reform, and should soon enable the Chinese people to stand as economically free as any other people in the world.

I regret, however, that there is one feature of the international and national effort for the suppression of the opium evil that should be disquieting to the Government and people of the United States. It has been stated that a reflex effect of the initiation by the United States of the international movement for the abatement of the opium evil took the form of improved legislation in nearly all countries concerned, and of very drastic legislation in some. Yet, despite this, this Government since February, 1909—the time of the passage of the Federal Opium Exclusion Act—has taken no further definitive action for Federal control of the opium and allied traffics in the United States. The passage of the Opium Exclusion Act was the first step which the Congress took to put our own house in order. There were three bills introduced in the last Congress which aim to supplement and perfect that act.[1] I understand they are to be introduced in the early days of the present session, and will be pressed to enactment, thus placing this Government in a rightful position before the world. This is greatly to be desired.

The necessity for our representation at the forthcoming Conference at The Hague is so apparent that I need not enlarge upon it, and I therefore have the honor to recommend that the Congress be asked immediately to appropriate the sum of twenty thousand dollars, or so much thereof as may be necessary, to enable this Government to meet expenses incidental to and in continuity of its efforts to stamp out the opium evil through the forthcoming final Conference at The

[1] For. Rel. 1912, p. 220.

Hague, and otherwise to make effective the results heretofore accomplished, this sum to be expended at the discretion of the Secretary of State and to continue available until the object appropriated for is accomplished.

Since the forthcoming Conference will meet in the coming June, and the necessary and extensive preparations must be made for it by this Government, it is very important that the appropriation be made immediately available.

Respectfully submitted:

W. J. BRYAN.

Senate Doc. 157, 63d Cong., 1st sess.

Message from the President to the Congress transmitting a communication from the Secretary of State accompanied by a report from the American delegates to the Second International Opium Conference at The Hague, July 1–9, 1913.

[Read August 9, 1913; referred to Committee on Foreign Relations.]

TO THE SENATE AND HOUSE OF REPRESENTATIVES:

I transmit herewith a communication from the Secretary of State, accompanied with a report prepared by Mr. Hamilton Wright on behalf of the American delegates to the Second International Opium Conference, which met at The Hague on the 1st of July last and adjourned on the 9th of the same month.

The First Opium Conference assembled at The Hague on December 1, 1911, and adjourned on January 23, 1912. The convention formulated by this conference has since been signed by all of the Latin-American States and by a great majority of those of Europe, and all but three of the States that have signed have already agreed to proceed to the deposit of ratifications.

The results of the conferences should be regarded by the Government and people of the United States with great satisfaction. An international convention imposing the obligation to enact legislation strictly to confine the trade in opium and allied narcotics to medical purposes has been signed by all but 10 nations of the world, and there is reason to believe that by the end of the present year, through the action of the recent conference, all the nations of the world will have become signatories of the agreement.

It remains for the Congress to pass the necessary legislation to carry out the stipulations of the convention on the part of the United States. Such legislation has recently passed the House of Representatives without a dissenting vote, and I earnestly urge that this measure, to the adoption of which this Government is now pledged, be enacted as soon as possible during the present session of the Congress.

WOODROW WILSON.

THE WHITE HOUSE, *August 9, 1913.*

The Secretary of State to the President.

DEPARTMENT OF STATE,
Washington, August 7, 1913.

The PRESIDENT:

I have the honor to submit herewith a report prepared by Mr. Hamilton Wright on behalf of the American delegates to the Second International Opium Conference, which sat at The Hague from the 1st to the 9th of July last.

The report summarizes the steps leading up to the call of this conference by the Netherlands Government and reviews the questions submitted to the conference and the conclusions arrived at by the delegates thereto, representing the following countries: Germany, United States, Argentina, Belgium, Brazil, Chile, China, Colombia, Costa Rica, Denmark, Dominican Republic, Ecuador, Spain, France, Great Britain, Haiti, Italy, Japan, Luxemburg, Mexico, the Netherlands, Portugal, Russia, and Siam.

The report also covers the period intervening between the adjournment of the First Opium Conference, which sat at The Hague from December 1, 1911, to January 23, 1912. By this conference an international convention was adopted which emphasizes the obligation to adopt legislation strictly to confine the dealing in opium and allied narcotics to medical channels. This convention has been signed with the greatest good will by all but 10 nations of the world, and an agreement to ratify it has been made by nearly all of the signatory powers. Among the signatory powers are all the Latin-American States and a great majority of the States of Europe; and an agreement to proceed to the deposit of ratifications has been entered into by all but three of the signatories. The report states that there is every reason to believe that by the end of the year, through the action of the recent conference, all the nations of the world will have signed the convention, and that it will become universally effective a short time thereafter.

As a party to the international convention, the Government of the United States is pledged to the enactment of legislation to carry it into effect. A bill drawn for that purpose has recently passed the House of Representatives without a dissenting vote and it is hoped that it may be enacted into law during the present session of the Congress.

W. J. BRYAN.

Report to the Secretary of State on the Second International Opium Conference by the American delegates: Hamilton Wright, Lloyd Bryce, Gerrit John Kollen.

DEPARTMENT OF STATE, *July 31, 1913.*

SIR: The following report, made on behalf of the American delegates to the Second International Opium Conference, held at The Hague from July 1 to July 9, 1913, is in continuation of reports of January 1, 1910,[1] and of May 15, 1912,[2] [the former] made to your

[1] Not printed in For. Rel.: see Senate Doc. 377, 61st Cong., 2d sess.; see also For. Rel. 1912, p. 182, footnote 2.
[2] For. Rel. 1912, pp. 207–221.

predecessor by the undersigned on behalf of the American commissioners to the International Opium Commission, which met at Shanghai in February, 1909, and [the latter on behalf] of the American delegates to the First International Opium Conference, which assembled at The Hague on December 1, 1911, and adjourned January 23, 1912. (S. Doc. No. 377, 61st Cong., 2d sess.,[1] and S. Doc. No. 733, 62d Cong., 2d sess.[2])

The above-mentioned reports should be carefully consulted, as the first contains the conclusions and recommendations of the International Opium Commission; a wide range of data embracing treaties affecting citizens of the United States in regard to the opium traffic; statutes controlling Americans engaged in the foreign opium traffic; tariff, internal revenue, and other statutes covering the opium trade in the United States and its possessions; projected Federal legislation, etc.; while the second report is mainly composed of instructions to the American delegates to the first Hague conference, and a careful analysis of the International Opium Convention formulated in that conference of twelve powers, representing the civilization of America, Europe, and Asia.

For a proper understanding of what the American Government has accomplished in cooperation with the other nations of the world during the past six years for the obliteration of the special and general opium and allied traffics, it might be well to consult certain articles on the commission and First Conference in the Journal of International Law of July and October, 1909; and of October, 1912, and January, 1913. These articles state very thoroughly the status of the world-wide opium problem before the United States initiated in the autumn of 1906, the international movement for its suppression; and contain information which shows beyond doubt that all nations concerned have heartily rallied to the support of the United States for the achievement of an intercontinental humanitarian, moral, economic, and diplomatic reform. I beg to suggest that these articles be printed as an annex to this report.

With the above-mentioned documents accessible for consultation, it is unnecessary that an exhaustive report be made on the recent conference. The salient facts in regard to the preliminaries of that conference are about as follows:

By article 22[3] of the International Opium Convention of the First Conference, formulated by delegates of twelve powers, it is provided in effect that the powers not represented at that conference shall be permitted to sign the convention; that to this end the Netherlands Government shall invite all the States of Europe and America who were not represented at the conference to sign the instrument. There then follows an enumeration of 34 powers of Europe and America who are to be invited to sign.

During the first conference an informal agreement was made between the Minister for Foreign Affairs of the Netherlands Govern-

[1] Contains the report of January 1, 1910, referred to in footnote 1 on p. 221.
[2] Contains the report of May 15, 1912, referred to in footnote 2 on p. 221. This document also contains the texts of the Opium Convention and the Protocol de Cloture. To the text of Article 13 of the Opium Convention as there printed and as printed in For. Rel. 1912, p. 200, the words "shall not take place" should be inserted after the word "powers."
[3] For. Rel. 1912, p. 202.

ment and the American delegates thereto that the United States should especially concern itself in securing to the convention the signatures of the Latin-American States. This understanding was reinforced by a formal request made on the United States by the Netherlands Government, which appears as follows:

No. 218. ROYAL LEGATION OF THE NETHERLANDS GOVERNMENT,
March 7, 1912.

Mr. SECRETARY OF STATE:

By virtue of article 22 of the International Opium Convention, concluded January 23 last, an additional protocol of signature has been opened at the Department of Foreign Affairs at The Hague for the powers that were not represented at the conference.

His excellency, the Minister of Foreign Affairs, being convinced of the special interest taken in this question by the American Government, desires me to express to your excellency the hope that you will kindly lend your invaluable assistance to cause the powers of Latin America to sign the said protocol at the earliest possible date.

Be pleased to accept, Mr. Secretary of State, the renewed assurances of my highest consideration.

J. LOUDON.

As the result of the understanding between the American delegates and the Minister of Foreign Affairs of the Netherlands Government, and the formal request of the Netherlands Government upon the Government of the United States, The Department of State issued April 15, 1912, a circular instruction to American diplomatic officers accredited to the Latin-American States. In substance that instruction was about as follows:

Attention was called to the fact that during some 30 years a powerful and extensive public opinion had developed which aimed to secure the abolition of the evil associated with the opium traffic as seen in Far Eastern countries; that this public opinion expressed itself not only in the United States, but in those other countries having intimate commercial association with China; that for a number of years much pressure had been brought to bear upon the Government of the United States to induce it to take the initiative in an international movement for the eradication or mitigation of the evil; and that after a thorough examination of the question by the Department of State the Government of the United States in the autumn of 1906 approached several of the interested powers to see if there could not be assembled an international commission of inquiry to study the moral, scientific, economic, and diplomatic aspects of the question. The Governments approached heartily responded to the proposal of the United States, and in a short time it was agreed among them that an international commission of inquiry should meet at Shanghai, China. That commission met on February 1, 1909, and adjourned on February 26 of that year.

After a searching study of the opium question in all its bearings, the international commission unanimously decided that the opium evil, though most obvious in the Far East, was really present in the home territories of the several countries represented in the commission. The commission then adopted nem. con. nine resolutions, which may be found on page 65, Senate Document No. 377, Sixty-first Congress, second session. The instruction further declared that although no formal conclusion was arrived at, it was a matter of discussion, and was recognized by the international commission, that its

resolutions, however important morally, would fail to satisfy enlightened public opinion unless by subsequent agreement of the powers they and the questions involved in them were incorporated in an international convention. Impressed by this fact and the desirability of divesting the opium problem of local and unwise agitation, as well as by the necessity of maintaining it upon the basis of fact as determined by the international commission, the Government of the United States issued a proposal to the interested Governments on September 1, 1909, to the effect that an international conference be held at The Hague, composed of delegates of each State, and that such delegates should have full powers to conventionalize the resolutions of the Shanghai commission and their necessary consequences. This proposal contained notes as to a tentative program (p. 73, S. Doc. 377, 61st Cong., 2d sess.), and to this program, by the proposal of the British Government, was added the question of the production, use of, and traffic in morphine and cocaine, and by proposal of the Italian Government the production, use of, and traffic in the Indian hemp drugs.

The Latin-American States were informed that it was the earnest desire of the United States that in the prospective conference there should be as wide a representation as possible, and that this desire was strengthened after the proposals of the British Government in regard to the morphine and cocaine traffics had been made, for it was promptly recognized by the United States that several of the Latin-American countries were interested in the production of the raw material of the coca leaf from which one of these drugs—cocaine—was derived. However, it was explained that it was not possible in the short period which elapsed between the time of the British proposals and the assembling of the international conference at The Hague for the Government of the United States to make its desire known to the Latin-American Governments; that it seemed wiser at the moment that the prospective conference should consist of those countries which took part in the Shanghai Commission, and that that conference should decide whether its convention should become immediately effective as concerned the signatory States, or wait ratification and effectuation upon the signatures of those other countries of Europe and America not represented in the conference. When the conference assembled, it was stated, there was a general agreement that the signatures to the convention by the Latin-American States was essential; that it was with pleasure that the American delegates accepted article 22 of the convention, which provided for the supplementary signatures of the Latin-American States, amongst others, as it undoubtedly enhanced the value of the work of the conference and directly settled an important diplomatic question, namely, that in the future all Hague conferences dealing with questions moral, humanitarian, and economic, of world-wide interest, such as the opium and allied questions, could not be finally determined upon by a minority of nations of the world, but must include delegates of all States directly or indirectly interested. The American representatives accredited to the Latin-American States were then instructed to bear in mind that this Government had steadily pressed for international action for the solution of the opium problem; that it had done so only after a frank recognition by twelve of the powers of the

world that separate national action alone could not solve such problems, and after the receipt of assurances from them of their desire to cooperate; that the interest of the American Government and people was great and earnest to secure the humanitarian and practical object to which twelve powers had already given their consent, and for which several of them had made great financial sacrifices. Assurances were made that this Government would be highly gratified to learn that the Latin-American Republics would enter into full sympathy with the international movement for the settlement of the opium and allied questions initiated by this Government as they had sympathized with and supported similar international movements of the past.

Acting promptly on this instruction, the American diplomatic representative met with a hearty response from the Latin-American nations, and by the end of 1912 all of the Latin-American States except Peru had notified the United States that they had signed or would be pleased to sign the International Opium Convention, and paid high compliments to this Government for its initiative and continuous leadership in a high purpose.

If the Netherlands Government and the United States had been able to secure the signatures of all of the powers mentioned in article 22 of the International Opium Convention, the Second Conference recently held at The Hague would not have been necessary. Apprehending the failure of the United States Government and the Government of the Netherlands to secure all of the necessary adhesions, the convention provided in its article 23 that in case the signatures of all of the powers mentioned in article 22 were not secured by December 31, 1912, the Netherlands Government should immediately invite all of the powers who had signed by that date to designate delegates to proceed to The Hague to examine into the possibility of depositing their ratifications of the instrument.

Owing to the economic difficulties which confronted Peru, it was not possible for the United States to secure the signature of that power by December 31 last, and owing to the complicated diplomatic and warlike conditions in the Balkans and their effect upon Turkey, it was not possible for the Netherlands Government to secure the signatures to the convention of Turkey and several of the Balkan States; Austria-Hungary, Switzerland, Norway and Sweden misunderstood the terms of the convention and showed a reluctance to sign it until a second conference of the signatory powers had met and determined upon ratification. Therefore, by virtue of article 23 of the International Opium Convention, the Netherlands Government issued the following notification to the signatory powers:

No. 145. LEGATION OF THE NETHERLANDS,
February 4, 1913.

MR. SECRETARY OF STATE:

In continuation of my note, No. 1384, of December 10 last, I have the honor to forward herewith to your excellency on behalf of the Queen's Government two copies of a table showing what signatures have been affixed up to December 31, 1912, to the International Opium Convention of January 23, 1912, and to the protocol of signature of powers not represented at the conference, referred to in the penultimate paragraph of article 22 of the convention; the table further mentions the powers whose signatures had not been obtained by the 31st of December, 1912.

I further venture to invite your excellency, on behalf of the Royal Government of the Netherlands and in accordance with article 23 (second paragraph) of the International Opium Convention, to have delegates designated to take up at The Hague the question whether it is possible to deposit the instruments of ratification.

I may add that Mr. van Swinderen (Minister for Foreign Affairs of the Netherlands Government) intends to call the conference for the month of June next, with the hope that in the meantime several of the nine States whose participation is still wanting shall have signed. His excellency reserves for a later communication the precise date.

Be pleased to accept, Mr. Secretary, the renewed assurances of my highest consideration.

J. LOUDON.

In a later communication from the Netherlands Minister to yourself, dated May 19, 1913, you were informed that the Second International Opium Conference would be opened at The Hague by the Netherlands Government on the 1st of July, 1913.

The above explanation and reprint of documents explain as concisely as possible the call for the recent conference, and I may now proceed to report on the conditions which confronted the delegates of the signatory powers when that conference assembled, and the results which were attained by the plenipotentiaries of the powers represented thereat.

Your instruction to the American delegates was as follows:

DEPARTMENT OF STATE.
June 19, 1913.

HAMILTON WRIGHT, Esq.,
American Delegate, International Opium Conference.

SIR: I take pleasure in informing you that the President has appointed you a delegate plenipotentiary to represent the United States of America at the final international opium conference, which, at the instance of the Netherlands Government, is to meet at The Hague on the 1st of July, 1913.

The other delegates plenipotentiary of this Government are Mr. Lloyd Bryce, American Minister at The Hague, and Mr. Gerrit J. Kollen, of Michigan. Mr. Butler Wright, secretary of legation at Brussels, has been designated as secretary to the American delegation, and Mr. Gerald B. Seldomridge as assistant secretary.

A brief review of the various steps leading up to the convocation of this conference may be helpful. In February, 1909, the international opium commission, upon the invitation of this Government, met at Shanghai, China, where the opium question in all its bearings was examined and certain unanimous conclusions arrived at which in substance condemned the evils associated with the production and use of opium and morphine and contained recommendations as to measures to be taken to bring such abuses to an end. As the commission was not empowered to negotiate a convention binding the participating powers, it was deemed necessary that an international conference, composed of delegates with full powers, should be convoked not only to conventionalize the conclusions arrived at by the commission, but to provide rules under which opium and other narcotic drugs should be produced and the international traffic therein conducted, as well as national laws by which such drugs should be confined to strictly medicinal purposes in the territories of the different countries.

Accordingly the International Opium Conference met at The Hague on December 1, 1911; and on January 23, 1912, the delegates thereto signed a convention containing stipulations as to production and the international and national traffic in opium, morphine and cocaine. As it was found that the questions dealt with by the commission and the conference affected the economic interests not only of the powers having treaty relations with the Orient but also of the other nations of the world, the conference concluded that to make its convention effective it was necessary to secure adherence thereto by all the nations, if that were possible. Therefore, the convention was so drafted that

it was not to become operative until the nations named in article 22 of the convention should add their signatures to the instrument.

The necessary supplementary signatures were to be secured by December 31, last. In the event of failure to secure all the signatures, the Netherlands Government engaged to call a second conference of all the signatory powers to examine the possibility of proceeding none the less to ratification of the convention. Since a few of the requisite signatures were not subscribed, a second conference became necessary, which the Netherlands Government has therefore called.

It is assumed by the Department that the discussions and conclusions of the conference will, except by general consent of the interested Governments, be properly confined to the stated purposes, as to which it would seem unnecessary to give you detailed instructions. Should, however, the question of economic disturbances, resulting from the antiopium movement in China, with its bearing on treaties, be raised, you will be guided by the tenor of the Department's instructions of October 18, 1911, to the American delegates to the International Opium Conference,[1] which met at The Hague on December 1 of that year. You may agree to deposit ratifications on the part of the Government of the United States (subject, of course, to the advice and consent of the Senate), provided a majority of the delegates present likewise agree on behalf of their respective Governments. Should occasion arise during the course of the deliberations for special instructions you will communicate concisely with the Department by telegraph.

Throughout the deliberations of the conference you should bear in mind that the international movement for the suppression of the opium evil was initiated by this Government, with the primary object of assisting China in her energetic effort in that direction.

It is the President's desire, and one in which I warmly join, that this conference, through the harmonious consideration and accomplishment of the purpose for which it is convened, may mark a distinct advance in stamping out the opium and allied evils.

I am, sir, your obedient servant,

W. J. BRYAN.

Pursuant to the invitation of the Netherlands Government, delegates of the signatory States assembled at The Hague July 1 last, and the conference was opened on the afternoon of that day in a most felicitous manner by his excellency Marees van Swinderen, Dutch Minister for Foreign Affairs. On the motion of his excellency Monsieur Marcellin Pellet, Envoy Extraordinary and Minister Plenipotentiary of the French Government at The Hague and Dean of the Diplomatic Corps, the Honorable J. T. Cremer, chief of the Dutch delegation, was elected president of the conference. The Netherlands Minister for Foreign Affairs was elected honorary president. Organization was rapidly completed, the conference deciding to adopt the rules of the first conference for its guidance so far as they were applicable. A general secretariat was established, of which Dr. J. A. A. de Beaufort, chief clerk of the Ministry for Foreign Affairs, was secretary general, and Mr. J. Butler Wright, secretary of the American delegation, was a secretary.

It was immediately announced by the Netherlands Government that the following powers had signed the International Opium Convention: Germany, the United States of America, Argentina, Belgium, Bolivia, Brazil, Chile, China, Colombia, Costa Rica, Cuba, Denmark, Dominican Republic, Ecuador, Spain, France, Great Britain, Guatemala, Haiti, Holland, Honduras, Italy, Japan, Luxemburg, Mexico, Nicaragua, Panama, Paraguay, Persia, Portugal, Russia, Salvador, Siam, and Venezuela; that all were represented in

[1] For. Rel. 1912, p. 188.

the conference except Bolivia, Cuba, Guatemala, Honduras, Nicaragua, Panama, Paraguay, Persia, and Venezuela; and the following statement was submitted for the information of the conferees:

POWERS THAT HAVE NOT SIGNED THE INTERNATIONAL OPIUM CONVENTION, WITH REASONS THEREFOR.

AUSTRIA-HUNGARY.

From a communication of the Imperial and Royal Ministry of Foreign Affairs at Vienna, dated March 11, 1913, it appears that the question of signing the opium convention, which would be done by Austria-Hungary for humane motives only, was still under discussion. Inasmuch as the provisions of the said convention and the Austrian and Hungarian laws on the subject had to be harmonized, adhesion could not be declared for some time.

BULGARIA.

The Minister for Foreign Affairs at Sofia informed the Minister of the Netherlands at Constantinople, under date of August 6/19, 1912, that Bulgaria would sign the International Opium Convention. This, however, has not as yet been done.

GREECE.

On September 7, 1912, the Royal Ministry for Foreign Affairs at Athens informed the Legation of the Netherlands there that the Hellenic Government did not intend to sign the International Opium Convention.

MONTENEGRO.

The Montenegrin Government has not yet made any reply to the reiterated request of the Government of the Netherlands that it sign the convention.

NORWAY.

The Ministry for Foreign Affairs at Christiania informed the Minister of the Netherlands on October 8, 1912, that the Norwegian Government, while earnestly desirous of joining in that humane endeavor to suppress the improper use of opium and its derivatives, regretted its inability to sign the convention for the present, as its adhesion would make new legislation necessary. The Minister added that the Norwegian Government proposed, nevertheless, to take under advisement, at the earliest possible moment, the question of enacting new laws that would permit of its adhering to the aforesaid convention.

PERU.

The Peruvian Government has not, as yet, made any reply to the reiterated request of the Government of the Netherlands that it sign the convention.

ROUMANIA.

By a note of February 25, 1913, the Minister for Foreign Affairs at Bucharest informed the Minister of the Netherlands at that city that the acts of the International Opium Conference had been referred to the proper Roumanian department for examination in order to enable the Royal Government to decide whether it would be expedient for it to sign the convention. The Minister added that the Roumanian Government was unable at that time either accurately to state when the examination would be completed or to prejudge its decision.

SERVIA.

The Servian Government has not as yet made any reply to the reiterated request of the Government of the Netherlands that it sign the convention.

SWEDEN.

The Swedish Government has not yet officially answered the Netherlands Government's invitation to sign the convention.

SWITZERLAND.

See the letter of October 20, 1912, from the Federal Council.[1]

TURKEY.

See letter of November 30, 1912, from H. E. Mr. Gabriel Noradounghian.[2]

URUGUAY.

The Minister for Foreign Affairs at Montevideo informed, under date of February 1, 1913, the Minister of the Netherlands that the Government of Uruguay would sign the convention. This, however, has not yet been done.

NOTE.—During the sittings of the conference both Peru and Uruguay, at the earnest solicitation of the United States, agreed to sign and ratify the convention.

The immediate work before the conference was to decide whether the signatory powers represented were prepared to agree to a deposit

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[1] The letter is dated the 25th, not the 20th, and is as follows:

BERNE, *October 25, 1912.*

MR. CHARGÉ D'AFFAIRES:

With a note of February 26 last, H. E. Mr. van Panhuys was pleased to transmit to us the text of the International Opium Convention concluded at The Hague on January 25, 1912, by the representatives of twelve Powers, viz: Germany, China, the United States of America, France, Great Britain, Italy, Japan, the Netherlands, Persia, Portugal, Russia, and Siam. At the same time we were requested by the Netherlands Government to have Switzerland adhere to the convention and designate a delegate to sign the protocol of signature which is kept open at The Hague by virtue of article 22 of the convention.

We acquainted ourselves with and took the most lively interest in the documents that were submitted to us, and we admit our high appreciation of the moral and social motives that led to the conclusion of the new convention. We hold, nevertheless, that the cooperation that Switzerland could afford to the contracting States would amount to next to nothing, and we consider this circumstance as making it superfluous for us to adhere to the opium convention.

Indeed, Switzerland, not being an opium-producing country, does not export the drug, and therefore has no occasion to regulate and supervise the trade; besides, the use of opium otherwise than as a medicine has not as yet found its way in our midst, and the habits of our people do not leave much room for foreseeing a change in that respect. Finally, the use of opium and its alkaloids—as also that of cocaine—as medicine is strictly regulated by our National Pharmacopœia and cantonal laws. So much so that we do not think that any one can go further in that direction than we have. As for the few chemical works that are preparing morphine and cocaine, their supervision is within the province of cantonal authorities, and the Federal power is at present without authority to regulate the matter.

We therefore hold, as we said above, that Switzerland's adhesion to the opium convention could serve no useful purpose under existing conditions, and we beg you so to inform your Government while conveying to it our very warm thanks for the invitation it was pleased to extend to us.

Be pleased to accept, Mr. Chargé d'Affaires, the assurances of our high consideration.

In the name of the Swiss Federal Council.

FORRER,
President of the Confederation.

SCHATZMANN,
Chancellor of the Confederation.

MR. MOSSELMANS,
Chargé d'Affaires of the Netherlands, Berne.

[2] The letter referred to is as follows:

SUBLIME PORTE,
November 30, 1912.

MR. ENVOY:

I have had the honor to receive the two notes, Nos. 400 and 1445–41, dated March 4 and October 4, 1912, in which your excellency expressed the hope that the Ottoman Government would give its adhesion to the International Opium Convention of January 23, 1912.

I regret to have to inform your excellency that the reasons of a financial character which prevented the Imperial Government from participating in the conference held at The Hague for that purpose also prompt it not to adhere to the convention there drawn up in which it did not cooperate.

Be pleased, etc.,

GABRIEL NORADOUNGHIAN.

His Excellency Mr. JONKHEER VAN DER DOES DE WILLEBOIS,
Envoy Extraordinary and Minister Plenipotentiary of Her Majesty the Queen of the Netherlands.

of ratifications according to article 23 of the International Opium Convention. At the first session there was a tendency on the part of a majority of the representatives of the powers to proceed at once to that question. But on a plea from the American delegation that an informal discussion of other aspects of the International Opium Convention might lead to something more than a mere agreement to ratify, the conference adjourned for 24 hours to enable the delegations to consult with each other.

Immediately after the adjournment of the first session, there met in the American office the following delegates: His Excellency Felix de Müller, of Germany; Dr. Hamilton Wright, of the United States; M. H. Petipied, of France; Dr. C. Th. van Deventer, of Holland; and His Excellency M. A. Swetchine, of Russia. After two days of thorough study of the documents laid before the conference by the Netherlands Government, the delegates of these five powers drafted and determined to present to the conference as a whole a projet, the main object of which would be to request the Netherlands Government to explain away difficulties to those powers which had not signed the convention, at the same time inviting them to immediately sign the instrument and agree to its ratification, this request to be supported at the capitals of the nonsignatory powers by the diplomatic representatives of the signatory powers.

This projet was considered by some of the delegations to be beyond the scope of the conference and wholly without precedent. But it was urged by the delegates of the above-mentioned five Governments that the time has passed for international conferences to assemble, go through the usual formalities, to then disperse and leave outstanding questions concerning its convention to prolonged misunderstanding and struggle in the ordinary diplomatic channels, and that as the present conference was of almost world-wide representation, it should use its weight as a conference in being to secure all the results which so many nations had agreed to by convention and to the deposit of ratifications of which they were about to proceed.

While this projet was being informally discussed, a second session of the conference was held, at which the president read the following telegram from Her Majesty the Queen of the Netherlands:

> I am happy to see at The Hague the representatives of the nations assembled for the Second International Opium Conference. While thanking you, Mr. President, for the sentiments which you have interpreted, I express to you my good wishes for the humanitarian goal of the conference.
>
> WILHELMINA.

On the previous day the president had addressed the following telegram to the Queen on behalf of the conference:

> The representatives of the countries assembled at The Hague for the Second International Conference have the honor to express to Your Royal Majesty their appreciation of the gracious reception extended to them in your country, as well as the homage of their respectful devotion.

By the 7th of July, as the result of almost continuous informal conference between the above-named representatives of Germany, the United States, France, Great Britain, the Netherlands, and Russia, and as the result of consultations between these representatives and

the other delegations, the following projet was presented to the conference for discussion:

PROPOSED RESOLUTION PRESENTED BY THE DELEGATIONS OF GERMANY, UNITED STATES OF AMERICA, FRANCE, GREAT BRITAIN, THE NETHERLANDS AND RUSSIA.

PREAMBLE.

The First Opium Conference, in which twelve States participated, requested the Government of the Netherlands to invite the thirty-four powers of Europe and America, enumerated in article 22 of the international convention of January 23, 1912, to sign this convention. Of these thirty-four powers twenty-two have signed the "Protocol of signature of the powers not represented at the conference." There remained, therefore, twelve powers who, for different reasons, have not considered it possible so to do. It appears from the replies received by the Netherlands Government and communicated to the conference that but three powers of these twelve have declined to sign the convention, i. e., Greece, Switzerland, and Turkey.

While Greece and Turkey have not given the reasons for their refusal, Switzerland has observed that, while fully recognizing the motives of moral and social order which led to the conclusion of the convention, the cooperation that Switzerland could lend to the contracting States would amount to almost nothing. The Federal Council based its opinion upon the facts that Switzerland, not being a country which produces opium, does not export this drug, and that, as yet, opium was not used there other than medicinally. It added that the use of opium and of its alkaloids—and also the use of cocaine—for medicinal purposes is strictly regulated by the National Pharmacopœia and by the district laws. It was also of the opinion that it was not possible to proceed further in this connection than had already been done. As regards certain producers of chemical products established in Swiss territory and manufacturing morphine and cocaine, their supervision appertained to the district authorities and the Federal Government was in no way authorized at present to regulate this matter.

Three powers: Austria-Hungary, Norway, and Sweden have replied that as the stipulations of the convention necessitate new legislation, they must withhold their signatures.

Two countries, Bulgaria and Uruguay, have agreed to sign but their signatures have not as yet occurred.

The Roumanian Government, having as yet not concluded its examination of the findings of the conference, is not able to respond.

Montenegro, Peru, and Servia have not replied to the repeated invitation of the Government of the Netherlands.

The replies of some of the powers indicate that misunderstandings exist regarding the stipulations and the object of the convention which will not be impossible of clarification.

The delegations of Germany, the United States of America, France, Great Britain, the Netherlands, and Russia, inspired by their desire to facilitate these clarifications, and hoping not only to elicit replies from such Governments as have not as yet responded, but also to induce the Governments who have heretofore refused to sign to reconsider their refusal, have the honor to propose the following resolution:

RESOLUTION.

Desirous of following up in the path opened by the international commission of Shanghai of 1909 and the first conference of 1912 at The Hague, the progressive suppression of the abuse of opium, morphine, cocaine, as well as of drugs prepared with or derived from those substances, and deeming it more than ever necessary and mutually advantageous to have an international agreement on that point, the Second International Conference—

1. Utters a wish that the Government of the Netherlands be pleased to call to the attention of the Governments of Austria-Hungary, Norway, and Sweden the fact that the signature, ratification, drawing up of legislative measures and putting the convention into force constitute four distinct stages which permit of those powers giving their supplemental signature even now.

Indeed, it is seen from articles 23 and 24 that a period of six months is allowed to run between the going into effect of the convention and the drawing up of the

bills, regulations, and other measures contemplated in the convention. Furthermore, the third paragraph of article 24 gives the contracting powers the liberty to reach an agreement, after ratification, upon the date on which the said legislative measures shall go into effect. Besides, we can not refrain from remarking that the difficulties foreseen by Austria-Hungary, Norway, and Sweden with respect to their legislation were not unknown to the delegates of the signatory powers and were subjected to thorough consideration on the part of the twelve contracting powers. Nearly all the signatory powers are in the same situation as the above-mentioned Governments and have not yet elaborated all the bills contemplated by the convention.

2. Utters the wish that the Government of the Netherlands be pleased to communicate to the Governments of Bulgaria, Greece, Montenegro, Peru, Roumania, Servia, Turkey, and Uruguay the following resolution:

> The conference regrets that some Governments have refused or neglected to sign the convention as yet. The conference is of opinion that the abstention of those powers would prove a most serious obstruction to the humane purposes aimed at by the convention. The conference expresses its firm hope that those powers will desist from their negative or dilatory attitude.

3. Utters the wish that the Government of the Netherlands be pleased to point out to the Helvetic Government its error in deeming its cooperation to be of hardly any value. Contrary to what is said in the Federal Council's letter of October 25, 1912, the conference holds that Switzerland's cooperation would be most serviceable in its effect, whereas her abstention would jeopardize the results of the convention. As to the question raised by the Federal Council concerning the respective powers of the Federal and Canton Legislatures it is to be noted that similar difficulties were already considered by the first conference which took them into account in wording the convention.

4. Requests the signatory Governments to instruct their representatives abroad to uphold the above-indicated action of their Netherland colleagues.

5. Utters the wish that in case the signature of all the powers invited by virtue of paragraph 1 of article 23 shall not have been secured by the 31st of December, 1913, the Government of the Netherlands will immediately invite the signatory powers on that date to designate delegates to take up the question whether it is possible to put the International Opium Convention of January 23, 1912, into operation.

This projet met with immediate favor, and was referred to a Comité de Redaction, composed of Dr. Hamilton Wright of the American, Dr. C. Th. van Deventer of the Dutch, Sir William Collins of the British, and Baron Alberic Fallon of the Belgian delegation, for final revision. Such final revision was made with the invaluable assistance of His Excellency Monsieur van Swinderen, Netherlands Minister for Foreign Affairs. On behalf of his Government Mr. van Swinderen expressed a willingness to see that the terms of the projet were immediately laid before the 10 nonsignatory powers, the Dutch representative to those powers, as required by the projet, to be supported by the representative of the signatory States at the capitals of the nonsignatory States.

A roll call as to deposit of ratifications of the International Opium Conference was made, and all of the powers represented immediately agreed to proceed to the deposit of ratifications except Great Britain, Germany, and Portugal. The representatives of Great Britain and Germany made a very sympathetic statement in regard to, and put on record the entire agreement of, their Governments with the International Opium Convention, but held that it was the desire of their Governments to see the signatures more particularly of Austria-Hungary, Switzerland, and Peru added to the convention before they should agree to their deposit of ratifications.

During the sittings of the conference, as the result of representations which the Department of State made to Peru, that country

agreed, on the 9th of July, to sign and ratify the convention. This announcement did not reach the American delegation until a few hours after the adjournment of the conference, but in time to have the desired effect, and demonstrate that North, South, and Central America were in absolute unison in regard to the terms of the International Opium Convention and the necessity for its ratification and enforcement. There can be no doubt also that the determination of Peru to join her Latin American sisters in support of the United States in this great humanitarian movement demonstrated the solidarity of interests of the nations of the three Americas. During the sitting of the conference the Department was also able to announce to the American delegation that Nicaragua and Uruguay,[1] which were already signatories, would agree to ratification; Venezuela also as soon as her Congress had taken the necessary preliminary action to that end.

With Peru signatory to the convention and with the special effort to be made by all of the signatory powers jointly with the Netherlands Government to secure the signatures of Austria-Hungary, Switzerland, Norway, Sweden, and the Balkan States, the ratifications of Great Britain, Germany, and Portugal are shortly expected.

The above-named projet of the five powers was embodied in a protocol de clôture of the conference and signed by representatives of the powers at the conference at 3 o'clock on July 9, thus bringing to a practical conclusion the five years of effort of the United States to secure comprehensive international action for the suppression of the abuses connected with the production and distribution of opium, morphine, cocaine, and other narcotic drugs. The conference was then adjourned sine die by the Minister for Foreign Affairs of the Netherlands Government and the delegates proceeded to signature.

The spirit of international comity which it was expected would govern and which did dominate the recent conference is well set forth in the report on the opium question which you submitted to the President on April 21 last, and which was transmitted by the President to the Congress on the same day. (H. Doc. No. 33, 62d Cong.,[2] 1st sess.)

The most remarkable single feature of the recent conference was the unanimous adoption by the conference of the projet by which the whole force of the signatory powers represented in the conference is to be brought to bear through the Netherlands Government to induce the signature to the convention of the nine lagging powers. But it was also remarkable that a convention formulated and signed by twelve powers and subsequently signed by twenty-four other powers which had taken no part in its formulation was accepted by those powers and an agreement made for its ratification without a suggestion from any delegate that the instrument should be altered in any way.

The result of the recent conference in regard to signatures and ratifications may be seen at a glance from the following table.

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[1] See note 3, next page.

[2] Should be 63d Cong. See ante, p. 215.

MEMORANDUM FOR THE SECRETARY OF STATE ON THE PRESENT STATUS OF THE INTERNATIONAL OPIUM CONVENTION SIGNED AT THE HAGUE JANUARY 23, 1912, AND ON AGREEMENT TO DEPOSIT RATIFICATIONS AT THE HAGUE, MADE JULY 9, 1913.

The following powers have signed the convention:

Germany.[1]	Dominican Republic.[2]	Nicaragua.[2]
United States.[1]	Ecuador.[2]	Panama.[2]
Argentina.[2]	Spain.[2]	Paraguay.[2]
Belgium.[2]	France.[1]	Netherlands.[1]
Bolivia.[2]	Great Britain.[1]	Persia.[1]
Brazil.[2]	Guatemala.[2]	Portugal.[1]
Chile.[2]	Haiti.[2]	Peru.[2]
China.[1]	Honduras.[2]	Russia.[1]
Colombia.[2]	Italy.[1]	Salvador.[2]
Costa Rica.[2]	Japan.[1]	Siam.[1]
Cuba.[2]	Luxemburg.[2]	Venezuela.[2]
Denmark.[2]	Mexico.[2]	Uruguay.[2 and 3]

(Total, 36.)

Of the foregoing nations the following have agreed to deposit ratifications, in accordance with article 23 of the convention:

United States.	Dominican Republic.	Mexico.
Argentina.	Ecuador.	Netherlands.
Belgium.	Spain.	Russia.
Brazil.	France.	Siam.
Chile.	Haiti.	Guatemala.
China.	Honduras.	Nicaragua.
Colombia.	Italy.	Venezuela.
Costa Rica.	Japan.	Peru.
Denmark.	Luxemburg.	Uruguay.[3]

(Total, 27.)

The following signatory powers were represented at the conference, but reserved ratification until Austria-Hungary, Peru, and Switzerland have agreed to ratification. The chief difficulty of German ratification—Peru—has been removed. It was the general view of the conference that Austria-Hungary and Switzerland would sign and ratify in the near future, and that Great Britain would then agree to ratify. Portugal will undoubtedly agree to ratify.

Germany.
Great Britain.
Portugal.

The following signatory powers did not have representatives at The Hague, but are expected shortly to agree to deposit ratifications:

Bolivia.	Panama.	Persia.
Cuba.	Paraguay.	Salvador.

(Total, 6.)

That is, the great majority of the signatories have agreed to ratify, and soon all signatories—36—will have agreed to ratify.

The following countries have not signed the convention, but by direction of the recent conference will be pressed to do so by an

[1] Original signatories of the convention.
[2] Supplementary signatures, in accordance with article 22 of the convention.
[3] This is a mistake; Uruguay did not sign during the year 1913; see editor's Note, p. 283, last line of the note.

identic note to be presented at their foreign offices by the Netherlands Minister supported by the ministers of the powers represented in the conference:

Bulgaria.	Austria-Hungary.	Roumania.
Greece.	Norway.	Montenegro.
Turkey.	Sweden.	Servia.
Switzerland.		

(Total, 10.)

NOTE.—All the powers who have signed and agreed to proceed to ratifications will do so without waiting upon the nonsignatory powers. It is expected by the Netherlands Government that all those nations which have agreed to ratify will have deposited their ratifications by December 31 next, and that before that date the most important of the nonsignatory powers will have adhered, thus enabling Great Britain and Germany to agree to ratification.

Thus, as the result of five years' leadership on the part of the United States, an international convention imposing strict international, and requiring equally strict domestic, laws for the relegation of opium and allied narcotics to strictly medical channels has been signed in the greatest good will by all but ten nations of the world and agreement to ratify the instrument made by nearly all of the signatory powers. There is every reason to believe that by the end of the year, by the action of the recent conference, the entire world will be signatory to the convention, and that it will become universally effective a short time thereafter.

Shortly before the assembling of the recent conference Great Britain showed her good will toward China and her good intentions in regard to the rest of the world by bringing to a close on the 7th of May last the Indo-Chinese opium traffic which had officially existed between India and China since 1767, when Clive, general for the British East India Co., won the battle of Plassy.

There are some who, from an apparently studied disregard of the facts, pretend to believe that this Government has accomplished nothing during the past five years by its leadership in this great movement. I feel that it is not improper to quote from a report on this question made by you to the President on the 21st of last April:

This, Mr. President, is a movement which I have followed for the past six years. I have examined all the essential facts and documents relating thereto and have been gratified to review the growth of this humanitarian, moral, and economic movement from a consultation between this Government and five or six of the great powers of the world to one which now embraces the cooperation and has the sanction of almost the entire group of civilized States, and this in spite of the fact that it means past and future financial losses to the powers concerned of over $50,000,000 aggregate annual revenue. The entire movement illustrates a principle abroad in and stamped with the approval of the world to-day, namely, that the peoples are now agreed that an evil such as the opium evil is never wholly national in its incidence, can never be suppressed by two nations alone, as was supposed to be the case with the Far Eastern opium traffic, but that such an evil as it appears in one state is a concomitant or a reflex of a similar evil in other states, and therefore is international in its moral, humanitarian, economic, and diplomatic effect; further, that few evils can be eradicated by national action alone, and therefore that there must be cooperation of all the states directly or indirectly interested before such an evil is mitigated or suppressed. This movement, in which the United States has taken so large a part, was thought at first to concern only those countries of the

Far East, or those western nations having territorial possessions in the Far East—five or six in number. But it has proceeded by way of a sober international commission of inquiry composed of commissioners representing thirteen nations and by a conference composed of delegates with full powers representing 12 of these nations. Those delegates having formulated and signed on behalf of their Governments a convention containing strict pledges for national legislation and international cooperation, it was presented to the remaining States of Europe and America, 34 in number, for their signature.

As the above table will show, not only have the majority of the 34 signatures been secured, but nearly all of those who have signed agreed at the recent conference to proceed to ratification, while the recent conference put into operation the necessary diplomatic machinery for the securing of the remaining signatures and ratifications of the international convention.

It remains for the United States to demonstrate the sincerity of its leadership in this movement by passing the necessary Federal legislation required by the terms of the convention. It is very gratifying to be able to state that the action of the House in unanimously passing the three antinarcotic bills approved by the President, yourself, and the Secretary of the Treasury, had a most beneficent effect on the recent conference, for it was regarded as a pledge that the Senate would shortly act on the legislation, and that the United States proposed to remain in the forefront of the humanitarian movement which it had inaugurated.

Before closing this report I wish to evidence my appreciation of your great personal interest in this world movement, a real and lasting peace movement. It was expected throughout the country by individuals, peace societies, religious bodies, and commercial organizations, that the President and you would directly interest yourselves not only in the international aspects of this movement, but also in its domestic aspects. That expectation has been fully justified, and is widely appreciated, as the records show. Personally, as the one in charge for the past five years on behalf of the American Government of the international and domestic phases of this question, I can not refrain from joining with those many others in my thanks to you for your active and sympathetic interest in the question.

One other matter and I must bring this report to a close. The delegation which represented the United States at the recent conference was most happily constituted. As chairman of the American delegation I could have had no more loyal and able associates than Mr. Lloyd Bryce, our Minister at The Hague, and Dr. Gerrit J. Kollen, of Michigan, and the delegation was heartily supported in every way by its two secretaries, Messrs. J. Butler Wright and Gerald B. Seldomridge.

I have the honor to be, sir, your obedient servant,

HAMILTON WRIGHT,
American Delegate, International Opium Conference.

The SECRETARY OF STATE.

Appendix I.

[Reprinted from the American Journal of International Law for July, 1909.]

THE INTERNATIONAL OPIUM COMMISSION.[1]

(Part 1.)

The International Opium Commission, proposed by the United States and accepted by Austria-Hungary, China, France, Germany, Great Britain, Italy, Japan, the Netherlands, Persia, Portugal, Russia, and Siam, convened at Shanghai on the 1st of last February, completed its study of the opium problem throughout the world, and based on that study, issued nine unanimous declarations. The commission adjourned on February 27.

The commission's work is interesting from several points of view. It was the first step toward the solution of the opium problem by international action. It was the second commission of its kind to meet since the formulation of The Hague rules of 1899 as to the function of such commissions. Its organization, its rules of procedure, the spirit in which it attacked its problem, avoided a majority and minority report, and declared unanimously, establish a precedent for the guidance of all future commissions of inquiry. The world at large, and even many of those who have agitated the opium question in the past, have regarded the problem as one that concerned Great Britain and China alone. The work of the commission demonstrated beyond a doubt that it is a problem of almost world-wide extent, and that the United States has a large and increasing interest in it.

Before dealing with the commission and its deliberations, it will be well to glance as rapidly as possible at the opium question as it appeared between the issue of the Report of Her late Britannic Majesty's Royal Opium Commission in 1895, and the beginning of the new movement against opium which resulted in the calling of the International Commission. To take the United States first:

THE UNITED STATES.

The attitude of the United States Government toward the traffic in opium beyond its borders has been on the whole admirable. When China was protesting most vigorously against contraband opium from India, the United States contracted one of its earliest treaties with an Eastern country—that with Siam in 1833. Reference to that treaty (vide supplement) will show that Americans were forbidden to engage in the opium traffic with Siamese except at the risk of being dealt with by the Siamese authorities.

In the next treaty with Siam, that of 1856, the United States somewhat relaxed its attitude in the matter of opium. Reference to Article VII of that treaty will show that Americans were permitted to import opium free of duty, but that they could sell it only to the opium farmer or his agents. So far as it can be learned this was not against the wishes of the Siamese Government. The revenue of Siam was in part derived by farming out the sale of opium. Siam produced no opium, and therefore had to import it. The importation was legalized by the Siamese authorities, and Americans were permitted to engage in the trade.

The most important declaration of the United States in regard to the opium traffic is contained in its first treaty with China—treaty of Wang Hea, of 1844. By reference to Article XXXIII of that treaty it will be seen that the United States entered into an obligation to prevent her citizens from trading in opium or any other contraband article of merchandise, and that those of her citizens who violated the treaty were subject to be dealt with by the Chinese Government, without being entitled to any countenance or protection from the United States. Article XXXIII certainly marked the official attitude of the American people toward the Chinese opium traffic, and it had the effect of driving Americans out of the trade. For it was no light matter to fall under the Chinese law against trade in opium. In our next treaty with China—that commonly

[1] The various treaties and statutes mentioned herein appear in the Supplement, pp. 253–276. (The foregoing is a footnote in the American Journal, referring to its Supplement for 1909. All the footnotes to these appendices are those of the Journal, except that the page numbers of references to passages of this text have been adapted to this volume.)

known as the Tientsin treaty of 1858—the official position of the American Government relaxed, and we accepted, along with France and Russia, the tariff arrangement as contained in the British tariff agreement of the Tientsin treaty. Beyond a doubt the American minister of that time largely influenced the position of the Government. The views that he held have been alluded to [1] in Lord Elgin's position toward opium in 1858. His important letter will be found in the supplement.[2]

Following the Tientsin treaty Americans were free to engage in the opium traffic, and beyond a doubt they did so. But I think it may be stated that the attitude of the American Government toward opium, as evidenced by the treaty of Tientsin, was only a temporary lapse from the position it has constantly held toward the traffic, for, in the American-Chinese commercial treaty of 1880, the United States recovered by binding itself in the matter of the opium trade. By reference to Article II of that treaty it will be seen that a pact was entered into which forbade American citizens from engaging in the importation of opium into any of the open ports of China or to transport it from one open port to another open port, to buy and sell opium in any of the open ports of China. Chinese subjects were also prohibited from importing opium into any of the ports of the United States. The American Government could not, of course, engage with China in this or any other treaty to forbid her own citizens from importing opium into the United States. That was a matter of United States municipal law. Article II was made effective in 1887, when Congress passed a statute which fixed the penalties for its violation. It was held by Mr. Edmunds, who introduced the bill, which afterwards became a law, that American citizens were prohibited from the opium traffic in China by the treaty of 1858, or at least that they were subject to the jurisdiction of the Chinese courts and authorities for trial and punishment in the event of engaging in the trade. Mr. Edmunds further stated that—

"By the treaty of 1858, negotiated by Mr. Reed, it was provided in Article XI that citizens of the United States committing any 'improper,' i. e., illegal act in China should be punished only by the authorized officials of the United States and according to their law, and that arrests in order to trial might be made by the authorities of either country. This provision in this treaty may perhaps be fairly considered as superseding the provisions in the treaty of 1844 remitting to the jurisdiction of the Chinese authorities the violators of the opium laws of the Empire, although, as the former provision was special in regard to one topic, it may not be clear that the latter provision just referred to would supersede or repeal the former special one.

"The fourteenth article of the same treaty states that 'The open ports which the citizens of the United States should be permitted to frequent are the ports and cities of Canton * * * and any other port or places hereafter by treaty with other powers or with the United States open to commerce, and to reside with their families and trade there, and to proceed at pleasure with their vessels and merchandise from any of these ports to any other of them. But said vessels shall not carry on a clandestine and fraudulent trade at other ports of China not declared to be legal, or along the coast thereof; and any vessel under the American flag violating this provision shall, with her cargo, be subject to confiscation to the Chinese Government; and any citizen of the United States who shall trade in any contraband article of merchandise shall be subject to be dealt with by the Chinese Government without being entitled to any countenance or protection from that of the United States.'"

Mr. Edmunds in quoting these articles relating to improper, clandestine, and fraudulent trade appears to have overlooked the fact that by the commercial agreement of the American-Chinese treaty of Tientsin of 1858 the importation of opium into China was no longer a clandestine or fraudulent trade, but a legalized trade on the payment of duties.

The last treaty of the United States with China in which opium or its derivatives is mentioned is the "Treaty of Commercial Relations," October 8, 1903. In the supplement [3] it will be seen that by Article XVI of the commercial treaty of 1903 the Government of the United States consented to the prohibition by the Government of China of the importation into China of morphia and instruments for its injection, except for medicinal purposes and on payment of a tariff duty. By the same article the Chinese Government undertook to adopt

[1] Vide post, p. 241. [2] P. 269. [3] P. 255.

at once measures to prevent the manufacture in China of morphia or instruments for its injection. A similar article is contained in the British commercial treaty of 1903. These articles in regard to morphia became effective on the first of last January, all the treaty powers having acceded to the morphia articles of the American and British treaties.

A treaty similar to that of 1880 with China was negotiated with Korea in 1882. Article VII of that treaty is practically the same as article 2 of the commercial treaty of 1880 with China. But so far Congress has not made it effective by appropriate legislation, as was done in the case of the treaty with China. Owing to the altered status of Korea it is not now necessary to effectuate the treaty by statute.

In our early relations with Japan the attitude of the American Government on the opium question was correct, for in Article IV of the treaty of amity and commerce of 1858 the importation of opium into Japan was prohibited to American citizens. That article remained in effect until Japan assumed her full sovereign rights, and was thereby able to forbid or not the importation of opium.

Though not an international pact, the attitude of the American Government in regard to opium is well illustrated in the act of February 14, 1902,[1] which prohibits anyone subject to the authority of the United States to sell or otherwise supply opium to any aboriginal native living within certain parallels of latitude and certain meridians of the Pacific Ocean.

As will be pointed out later, the United States found itself confronted by a serious opium problem when it occupied the Philippines. The outcome of the investigation of that problem and its effect on the opium question as a whole is discussed further on,[2] and will be referred to, completing the study of the American opium question. In regard to that question as it affects the United States, it will be briefly stated that a large amount of Turkish opium has been annually imported into the country, and there is abundant evidence that the morphia derived from it has corrupted a large percentage of the population. The importation of opium prepared for smoking had been legalized, and the Pacific ports had drawn on the Portuguese colony of Macao for over 150 000 pounds per annum for many years past. Eighty per cent of this form of opium was absorbed by Chinese smokers, the balance by degraded white and black Americans. Reliable estimates place the needs of the American people for opium at 100,000 pounds at most. The annual importation of medicinal opium has been over 500,000 pounds for several years past; that is, over 550,000 pounds of opium are annually imported into the United States and used illicitly.

AUSTRIA-HUNGARY AND ITALY.

There is no home opium problem in Austria-Hungary. The poppy is not grown for opium. All opium imported comes from Turkey, and the use of it for other than medicinal purposes practically is unknown. What is said of Austria-Hungary may be said of Italy.

CHINA.

It is a common error to suppose that China depends on India alone for the opium consumed by her habitués. Since the middle of the eighteenth century there has been a progressive increase in the internal production of opium in China. Until a few years ago it was estimated to be in the neighborhood of 350,000 piculs.[3] Mr. Leech, the councillor of the British Legation at Peking, estimates that in the year 1906 it was 330,000 piculs, and that the revenue derived from it by the Chinese Government amounted to £6,500,000; but that only £1,750,000 reaches the central government, the remainder being employed in the provinces. Of the total production of Chinese opium, 4,730 piculs were in 1906 exported to foreign countries: 4,013 piculs, French Indo-China; 147 piculs, Hongkong, en route probably to Formosa, or to be smuggled into the Philippines.

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[1] Chapter 18, 32 Stat. L., 33; see Supplement, p. 256.
[2] Vide post, p. 247, under subhead "The recent anti-opium movement."
[3] The picul being 133 1/3 pounds avoirdupois.

China imports an average of about 51,000 piculs of Indian opium. This may be tabulated for 1906 as follows:

Indian:	Piculs.
Foreign raw opium imported in 1906—	
Malwa	14,465
Patna	25,486
Benares	13,479
Total	15,430
Other kinds from Persia and Turkey	795
Total	54,225

Taking the net amount of native Chinese opium obtained in China, she may be said to have required for her own consumption in 1906:

	Piculs.
Native opium	325,270
Foreign opium	54,225
Total	379,495

or 50,599,333 pounds weight or 22,588 tons, of which about one-seventh comes from India.

These figures will show what a tremendous problem the opium question is to China, for she not only has to deal with the importation of foreign opium, but with the much larger amount of native produced by her own people and used by them. One of her great difficulties in stamping out the opium habit amongst the Chinese population has been this internal growth of the poppy, and the bad example set to her people by the continued importation of foreign opium.

China is bound by several treaties and agreements in regard to foreign opium. Although the treaty of Nanking, negotiated after the so-called opium war of 1840, left opium as before the war, contraband, there is certain justification in calling that war an opium war, for by Article IV of the treaty, "The Emperor of China agrees to pay the sum of $6,000,000 as the value of opium which was delivered up at Canton in the middle of March, 1839." Opium had for many years before that war been contraband (since 1796), and was so regarded by the British Government and the agents of the East India Co. at Canton. The contraband trade in opium was one of the immediate causes of the war. The opium that was seized and destroyed by Commissioner Lin was contraband opium. By compelling the Chinese Government to pay for it, there was fixed in the popular mind at any rate the idea that that war was an opium war. From the treaty of Nanking onward, trade in opium to China was contraband, although the opium war had left China in rather a weak position to enforce her views.

The treaty of Tientsin was negotiated in 1858, following the Arrow War. In the tariff annexed to the treaty of Tientsin the importation of opium was legalized by the Chinese Government, and admitted officially for the first time since the prohibitory edict of 1796. It was made to pay 30 taels per 100 catties (or picul). There is no evidence that the British plenipotentiary, Lord Elgin, forced the Chinese Government to officially recognize the importation of opium. It is known that Lord Elgin himself considered the Arrow War a deplorable adventure, and regarded the trade in opium with horror. He has stated that he had—

"A strong if not invincible repugnance, involved as Great Britain was in hostilities at Canton, and having been compelled in the north to resort to the influence of threatened coercion, to introduce the subject of opium to the Chinese authorities"[1]—

and it has been stated by an eyewitness that—

"For the first 8, 9, or 10 months Lord Elgin never referred to opium as a possible item of negotiation at all, but referred to it as a thing deplorable, from what he saw in the streets; from the emaciation and wretchedness of the opium smokers he came across."[2]

[1] China Correspondence 1859, p. 396. [2] R. C. Report 1, p. 90.

As an indication of Lord Elgin's attitude toward opium it may be stated that during an interlude in the Chinese negotiations that ended in the treaty of Tientsin, he visited Japan to arrange the first treaty between that country and Great Britain. That treaty prohibited the importation of opium into Japan. Lord Elgin appears to have been largely influenced in his conduct toward the Indo-Chinese opium question by a letter addressed to him by Mr. Reed, who was then the plenipotentiary of the United States in China. Mr. Reed had gone to China strongly opposed to the opium traffic. During the Arrow War he seems to have been greatly affected with the hollowness and danger of the entire opium business as it then existed, and he urged on Lord Elgin that there seemed to be but two courses which he could pursue; that he must either urge the Chinese authorities to interdict the opium trade and to assure them that the British Government would neither directly nor indirectly aid anyone who engaged in it, and that the British Government should prohibit the cultivation and export of opium from India. His only other course was to urge the Chinese to admit opium under a tariff. Mr. Reed further states:

"No one doubts it is very pernicious and demoralizing. I am confident your excellency will agree with me that its evils, as the basis of an illegal, connived at, and corrupting traffic, can not be overstated. It is degrading alike to the producer, the importer, the official, whether foreign or Chinese, and the purchaser." [1]

The entire letter of Mr. Reed is worth reading.[2]

Lord Elgin seems to have been well enough informed to know that should he urge prohibition of the growth of the poppy and the export of opium from India it would be hopeless. The second alternative was the only course open to him. Mr. Lawrence Oliphant, Lord Elgin's delegate in the transaction of the commercial treaty, has given an account of the circumstances which led to the Chinese admitting opium into this commercial agreement.[3] There is no doubt that the Chinese were opposed to the legalization of the traffic, but what could they do? The British official report states: [4]

"China still retained her objection to the use of the drug on moral grounds, but the present generation of smokers, at all events, must and will have opium. To deter the uninitiated from becoming smokers, China would propose a very high duty; but as opposition would naturally be expected from us in that case, it should be made as moderate as possible."

Lord Elgin wrote to Lord Malmsbury:

"It is hoped by this arrangement (the legalization of the opium traffic), on the one hand, a term will be put to the scandals and irregularities to which a contraband trade at the ports necessarily gives birth; and, on the other, that occasion will not be furnished for the still greater scandals and irregularities which would inevitably arise if foreigners were entitled under the sanction of treaties to force opium into all districts of the interior of China." [5]

As will be seen by a reference to other Tientsin treaties of the same date, America, France, and Russia followed the British lead on opium so far as it is affected by the British treaty.

The opium trade was regulated by the Tientsin treaties until the "additional article" to the Chefoo agreement was signed at London, 1885.

Under the "additional article" to the Chefoo agreement of 1876 the tariff on opium remained at 30 taels per chest of 100 catties, but was made to pay a sum not exceeding 80 taels per chest as likin.[6] The additional 80 taels per chest did away with the likin or transit duties in the interior of China. After the opium had paid the 30 taels duty and been released to the merchants from bond transit certificates were issued to the owners and such certificates freed the opium from the imposition of any further tax while the opium was in transport in the interior, providing that the package had not been defaced or tampered with. The certificates had validity only in hands of Chinese subjects and did not entitle foreigners to convey or accompany any opium into the interior. Since this "additional article" was signed at London in 1885 opium has been admitted to China under its terms. It may be terminated at 12 months' notice by either party, when the import of opium into China would revert to the terms of the "commercial agreement" of the treaty of Tientsin.

[1] China Correspondence, 1859, p. 394.
[2] Vide supplement, p. 269.
[3] Vide suppleemnt, p. 262.
[4] China Correspondence 1859, p. 401.
[5] Ibid, 4, p. 425.
[6] Vide supplement, p. 263.

Until the recent movement against opium was instituted the opium trade in China was governed by this "additional article" to the Chefoo agreement of 1876. It is now under the operation of the "ten-year" agreement,[1] which will be referred to later.

FRANCE.

In France there is no poppy culture for opium. Attempts have been made to grow it for the extraction of opium, but they were not successful. Opium is imported into France chiefly from Turkey in the crude form for medicinal purposes only. There does not seem to be any ground for the statements so frequently met with in the press that the use of morphine is widespread in France. In Paris, Toulon, and Bordeaux there is probably a large illicit use of morphine and considerable smoking of opium, but it seems to be confined to these few cities. In French Indo-China only a small amount of opium is produced, and it may only be imported by the official administration of customs and excise. The manufacture of smoking opium in French Indo-China is a Government monopoly or régie, with a single factory at Saigon. The crude opium is imported from Calcutta and the adjoining Chinese province of Yunnan. The import for 1903 was 251,771 kilos. As the result of recent antiopium legislation the 1907 imports show a decline of 45 per cent. In 1903 the official sales of opium prepared for smoking amounted to 122,941 kilograms; but since the new antiopium movement and the recent regulative legislation this has been reduced about 25 per cent. France has several treaties with China in regard to the importation and exportation of opium. In 1858 the French followed the lead of the British, as expressed in the Tientsin treaty, and French subjects were permitted to import opium into China on the payment of the specified duty. The French treaty of Tientsin covered the opium trade between French Indo-China and China, until the "Convention of Tientsin of 1885," when the contracting parties, in Article XIV, interdicted commerce in opium between the frontiers of Tonkin, Yunnan, Kwangsi, and Kwangtung. But in Article V of the additional Commercial Convention of 1887 the trade was reopened under certain specified conditions.[2] The trade by land was allowed on payment of an export duty fixed 20 per picul, but French merchants and persons under French protection were restricted as to the place of trade. There were also restrictions as to reimportation of Chinese opium by the coast ports. This, shortly, was the state of the opium question in French eastern possessions, and the conditions under which the trade was carried on with China until quite recently. The present-day conditions will be referred to later.

GERMANY.

In Germany the poppy is not grown for opium. All opium is imported, chiefly from Turkey. Under the imperial ordinance of October 22, 1901, opium could be only imported, manufactured, and sold for medicinal purposes. In Germany's eastern possession, Kiao Chao, the cultivation of the poppy is prohibited, and, as will be seen by the treaty and ordinances in the supplement,[3] opium can be imported or sold only under strict regulations. The object of the Colonial Government is first to control and finally to suppress the use of the drug except for medicinal purposes.

GREAT BRITAIN.

The opium problem of India needs to be stated from two points of view. There is the problem as it concerns British India and the problem as it concerns the native States of India. In British India the Government has full control of affairs; in the native States only an advisory control, or a control secured by treaty. In British India the growth of the poppy, the manufacture of opium, and its internal distribution and consumption is a Government monopoly. In the native States the cultivation of the poppy and the manufacture of opium is free. Under the monopoly, established in 1773, two agencies have been set up in Bengal, one at Patna and one at Benares, to handle the opium business for the British Indian Government. When sowing time arrives these agencies make a cash advance to the cultivator according to the amount of land he proposes to put under poppy cultivation. When the crop has ripened, a

[1] Idem, p. 264. [2] Vide supplement, p. 259. [3] Pp. 260–261.

further advance is made to the cultivator, and he is finally settled with after his opium has been tested, graded, and valued by the agencies. The monopoly opium, after being graded and packed, is divided into two parts—one known as excise opium, which is reserved for internal consumption in British India and dispensed under excise regulations; the other known as provision opium, which is sent to Calcutta and sold by auction to the highest bidder. When the provision opium is in the hands of the successful bidders, it is beyond the control of the British Indian Government, and it is trafficked in according to the laws of supply and demand. In the native States, the poppy is freely grown and opium produced without restriction or control by the British Indian Government. It then passes by certain specified routes to Bombay ports, where it is sold for export, except a certain amount retained for consumption in the Bombay Presidency. The control of the British Indian Government over this kind of opium, known as Malwa opium, is limited to imposing the routes by which the opium reaches the merchants at the seaports of the Bombay Presidency and by the collection of a transit tax on it as it passes from the native States to British Indian territory. After the sale of the provision and the collection of the transit tax on Malwa opium, the Indian Government washes its hands of the drug. It then passes by ordinary channels of trade to China, the Straits Settlements, Formosa, and other eastern countries. The total average exportation from all India for the five years 1901–1905 was 67,000 chests of about 140 pounds each. Of this, China annually imported in the same years an average of 51,000 chests. The difference, or 16,000 chests, passed to other eastern countries, to Mexico and the United States. Until the recent prohibitory legislation, the United States absorbed a total of about 250,000 pounds annually, after it had been converted into smoking opium at the Portuguese colony of Macao. It should be clearly understood that the revenue derived by the Indian Government from opium consists of the transit duties levied on opium known as Malwa opium, produced in the native States of India; from the profit on provision opium over and above the cost of its production and from a tax on excise opium consumed in British India. The Indian opium revenue is large, but is a steadily diminishing factor in Indian finance.

The Indian argument for the continuation of the opium trade was a very potent argument—revenue.

However, it—

"Was not to be relied upon. In the 14 years ending 1894 the average revenue was £5,000,000; in the 11 years, 1894–1905, it fell to £3,000,000. In 1880 it represented 14 per cent of the aggregate revenue of India. In 1905 it represented only 7 per cent."[1]

In Great Britain itself no opium is produced. The chief supply is from Turkey and is devoted to ostensibly licit medicinal ends. The "Act to regulate the sale of poisons" of 1868 is said to effectively prevent the illicit use of opium and its alkaloids.

SELF-GOVERNING COLONIES.

Australia.—Australia has a large Chinese population, and therefore an opium problem. Opium smoking was widely indulged in by the Chinese and at one time threatened to spread to the white population. As an index of the large amount of opium consumed it will be only necessary to state that in 1903 42,429 pounds were imported and some 60-odd thousand pounds of gum opium for medicinal purposes. Part of the latter was undoubtedly surreptitiously manufactured into smoking opium by the Chinese and others. In addition, a considerable amount of smoking opium was smuggled in from Macao, Vancouver, and other places of manufacture. In the Commonwealth customs act of 1901 it was enacted that the following are prohibited imports: "All goods, the importation of which may be prohibited by proclamation." The effect of this legislation will be referred to later.

Canada.—In Canada, previous to the prohibitory act that went into effect July 20, 1908, opium was imported from Turkey for medicinal purposes. Indian opium was imported into the West Coast cities, where it was prepared for smoking, sold, and consumed by the Chinese and others, while a large part was smuggled into the United States. The Hon. McKenzie King has stated in a report on the subject that the factories manufactured between $600,000 and $650,000 worth of smoking opium in the year 1907 and that much of the product

[1] So said Lord Morley in the House of Commons, May 30, 1906.

was smuggled into the United States and Canada. Little or no smoking opium was imported into Canada, it being more profitable to import the crude drug from India and then prepare it for the pipe.

New Zealand.—New Zealand has never had an opium problem and since 1890 has vigorously prohibited its importation and use except for medicinal purposes.

South Africa.—South Africa had no opium problem until the introduction of indentured Chinese coolie labor to the Rand. The opium habit was confined amongst them and kept alive by undesirable whites, and it tended to spread to the black population. Much of the crime that is committed by these coolies is attributed to the use of smoking opium.

BRITISH CROWN COLONIES.

In Hongkong, the Straits Settlements, the Federated States, British North Borneo, Ceylon, a large revenue was derived by farming out the manufacture and sale of smoking opium. Such opium is made from imported Indian opium. In Ceylon the spread of the practice of smoking opium has been rapid, the imports jumping from 1,562 pounds in 1840 to over 23,000 pounds in 1900. In the Straits Settlements the revenue derived from opium is almost 50 per cent of the total revenue of the colony. In 1898 it was 2,332,186 Mexican dollars, representing 45.9 per cent of the total revenue. In 1904 the revenue derived from opium was $6,357,727, or 59.1 per cent of the total revenue of the colony. The growth in the revenue derived from opium in this colony is a fair index of the extent to which the opium smoking is indulged in, and of its tendency to spread amongst the Chinese members of the community. In the neighboring Federated Malay States, where the opium farm is sold to the highest bidder, the States derived in 1896 about $1,500,000 from it. By 1904 the revenue from the farm had increased to over $2,597,000. At Hongkong, where the farm system is in vogue, the sale of opium represented 28.42 per cent of the total revenue of the colony for the year 1904. The British treaties covering the trade in opium have been referred to.[1]

JAPAN.

The Japanese Government and people have from time immemorial regarded the misuse of opium with horror. In all the early treaties with foreign States it was stipulated that the trade in opium was to be restricted. Since Japan regained her status as a sovereign power most stringent laws have been enacted covering the importation and manufacture of opium, and it may be stated that Japan has a prohibitory law against the misuse of opium which is effective. On acquiring Formosa the Japanese authorities found that the smoking habit had been confirmed under Chinese rule, and that it could not be immediately got rid of. The policy of gradual suppression was accordingly adopted. Investigation showed that there were over 200,000 opium smokers in Formosa, and it appeared to the Japanese authorities that it would be difficult for the smokers to break off the habit at once. There was also a danger that the people would be alienated in the event of the Japanese applying their own strict home laws to the island. The Government therefore determined to put the importation, manufacture, and sale of smoking opium under Government control. The Formosa opium ordinance was promulgated in the year 1897, and the regulations for the enforcement of the ordinance were issued later on in the same year. On inquiry it developed that the importation of opium into the islands before the Japanese occupation had averaged about 400,000 pounds per annum. Under the system of Government control licenses are granted to the Formosa Chinese, who are the only members of the population addicted to smoking. It is claimed by the Japanese that by the system of Government control they can gradually suppress the use of the drug. No opium is produced in Formosa. It is imported from India, Persia, Turkey, and China. The importations have averaged about 225,000 pounds per annum since Japanese control of the island was made effective. In spite of her strong stand against the misuse of opium Japan has entered into no special pact with China to restrain her citizens from engaging in the opium trade.

THE NETHERLANDS.

In the Netherlands itself the poppy is not cultivated for opium. Neither is it cultivated in her East Indian possessions. The importation of opium and

[1] Ante, pp. 240–242.

its manufacture into smoking opium and the distribution of the latter is a Government monopoly, or régie. The opium sold by the régie is manufactured in a factory especially built for the purpose. Both Indian and Turkish opium are used, but chiefly the former. The factory is managed by a chemist as director, who is assisted by two colleagues, an engineer as deputy director, and by a technical and administrative staff. There is a large native staff and an inspector in chief, with a staff of subinspectors. There are certain prohibited areas in the Netherlands islands, where the use of opium is prohibited. None of the régie opium is exported. For the years 1889–1893, taking the population of 24,119,136, the annual consumption of smoking opium per head in tahils was 0.042, a tahil being equal to 1⅓ ounces avoirdupois. The net revenue from the régie for the year 1907 was 13,317,000 francs. The Government of the Netherlands India professes to aim at the control and gradual extinction of the vice of opium smoking by means of the régie. By the treaty of Tientsin of 1863 Dutch subjects could legally import opium into China.

PERSIA.

Persia is a large opium-producing country. The poppy is cultivated quite freely and there is no attempt by the Government to monopolize the manufacture and sale of opium. The amount of opium produced in Persia can not be stated accurately, but it ranges from 1,000,000 to 2,000,000 pounds. The habit of smoking opium either alone or with tobacco is fairly common, and it is estimated that from 200,000 to 300,000 pounds were consumed in Persia annually. The balance of the drug is exported to foreign countries, the high-grade opium going to Europe and America for medicinal purposes and the rest to Hongkong and the Straits Settlements to be manufactured into smoking opium. The Persian Government derives a large yearly income from an export duty on the drug. In 1903–1904 the opium revenue amounted to about $350,000. Persia has no treaty relations with China, and for that reason China may forbid the importation of the Persian drug into the country. As will be seen later, an arrangement has been made whereby the imports of her Persian opium are to be reduced by one-tenth per annum.

PORTUGAL.

The poppy is not grown in Portugal for its opium, nor is it grown in her African and Indian or Chinese possessions. In the colony of Macao alone has Portugal an opium problem. In that colony the vice is widespread among the Chinese population. Until the year 1820 Macao was the principal depot of opium from India, but it gradually lost its hold on the trade after Hongkong was taken from China by the British, as the result of the so-called opium war. In 1878 Macao ventured into the industry of boiling crude opium into smoking opium and shipping it abroad, as well as supplying her own people. It was carried on by private individuals for some time. In 1887 a Government monopoly for the importation, manufacture, distribution, and exportation of opium was established. The sole right to manufacture smoking opium was granted to a Chinese syndicate. By the last contract, signed May 4, 1903, they paid $334,000 to the Government at Macao for the privilege. From 1908–1909 the opium revenue at Macao represented 38.8 per cent of the total revenue of the colony. The trade in opium between Macao and China was subject to the tariff annexed to the Anglo-Chinese treaty of Tientsin of 1858. This remained in force until 1887, when a "treaty of amity and commerce" was negotiated, which, among other things, calls for the cooperation of the Portuguese Government to prevent a contraband trade in opium. By Article IV of that treaty Portugal agreed to cooperate with China in the collection of duties on opium exported from Macao into China ports, the basis of this cooperation to be established by a convention appended to the treaty. By Article I of the appended "convention and agreement" the rules were defined under which the opium trade is carried on between the Portuguese colony of Macao and China (vide supplement). This agreement operated until lately, when a new agreement was entered into, which will be referred to later.

RUSSIA.

There is no evidence at hand that would show that Russia has an opium problem in her home territories. Amongst the Mohammedan population opium

is used combined with tobacco, and in Siberia, where there are Chinese, opium smoking exists to some extent.

The Russian treaty of Tientsin, June 13, 1858, followed the British lead in regard to the opium habit with China. By Article XV of the treaty of St. Petersburg opium was declared to be contraband, and the trade in it prohibited (vide supplement.)

TURKEY.

Although Turkey was not able to send a delegation to Shanghai, still the opium question can not be stated without taking into account the opium production of that country. The amount of opium raised in Turkey fluctuates. Only once or twice during the last 40 years has the entire production of all Turkey exceeded 8,500 cases, while in many years it has not reached 4,000 cases. In 1907 that production was only 2,300 cases. It is estimated that an average crop of poppy will yield 5,000 to 6,000 cases. It is probable that sufficient poppy seed is annually sown in Turkey to produce 100,000 cases of opium. But it is a very susceptible crop; too much or too little rain, too early or tardy showers, frost, cold, wet, drought, locusts, and other pests, either singly or jointly, play havoc with it. The Turkey opium has always been a high-grade opium, containing a large percentage of morphia, and for that reason it passes largely to Europe or America to be used for medicinal purposes. A very small quantity only—and that a low grade—enters into the Far Eastern trade, to be ultimately manufactured into smoking opium. As in other opium-producing countries, the poppy has another value aside from the opium which it yields. Poppy seed is a staple nourishment of all the poorer classes, and its oil furnishes them with light. The seed is made into cakes, and is a regular article of diet. When the oil is extracted from the seed the residue passes as a food for cattle in the winter months. Latterly the Turkish Government has encouraged the growth of the poppy by exempting for a period of three full years all dues and taxes of new localities in which the poppy is raised. In 1905 the value of the opium export amounted to 730,000 pounds Turkish, from which the Government derived a small revenue from an export tax. As the Turkish Government publishes neither accounts nor estimates of revenue and expenditure, it is impossible to state the revenue tariff from opium. Turkey, like Persia, has no treaty relations with China, and the Chinese are in position to contract for or forbid any traffic in opium. It will be pointed out later how the traffic is now restricted and must cease by 1917 (vide supplement).

SIAM.

The poppy is not grown in Siam. The crude drug is imported from India and was until recently manufactured and distributed through an opium farm which the Government sold to the highest bidder. For the last 20 years the importation or sale has been a Government monopoly.

It has been mentioned under "The United States" that broad rights of importation and trade with Siam were granted to American citizens by the treaty of 1833, but that an exception was made of opium. The Siamese Government derives a large part of its revenues from the manufacture and sale of smoking opium. In 1901 and 1902 the revenue was 14.2 per cent of the total, and 1902–3, 18.08 per cent.

LAST PHASE OF THE OLD ANTIOPIUM AGITATION.

The last phase of the old agitation against the Indian opium traffic was the publication of the report of the British Royal Commission on Opium. That commission concluded its labors and report in 1895. The commission was the result of a prolonged battle both within and without the walls of Parliament. By those who accepted its conclusions it was thought that the antiopium commotion was ended. It was intended that the commission should be judicial in character, but the evidence was taken and reported on in such a manner that it entrenched the Indian opium revenue as never before. It made nothing of the arguments and pleadings against the Indian opium traffic which were the immediate causes of its birth and it exalted the Indian opium revenue to a position from which it did not seem likely to be dethroned. There even seemed to be some narcotic principle in the report itself which had a soporific effect on the leaders of the antiopium movement. For they, too, ceased to trouble except sporadically and weakly and the entire question fell to the hinterland of the world problems.

India continued to produce vast quantities of opium, practically useless for medicinal purposes. Its opium revenue was saved for a time at least and its merchants continued to buy at the Calcutta and Bombay markets and to send the drug not only to China, but to other oriental countries. Wherever there was a Chinese population there Indian opium gravitated. The United States, Canada, Australia, as well as China, continued to be large buyers of the drug. The royal commission report was the last official act of the British Government to solve the opium problem until the new movement against it was initiated in 1903 and 1904. Lord Morley's opinion of the royal commission's report is worth quoting:

"He did not wish to speak in disparagement of the commission, but, somehow or other, its findings had failed to satisfy public opinion in Great Britain and to ease the conscience of those who had taken up the matter. What was the value of medical views as to whether opium was a good thing or not when we had the evidence of nations who knew opium at close quarters. The Philippine Opium Commission, in the passage of their report which he hoped the House of Commons would take to heart, declared that the United States so recognized the use of opium as an evil for which no financial gain could compensate that she would not allow her citizens to encourage it even passively."

Lord Morley's statement was made in May, 1906, while he was still in the House of Commons—that is, after the new movement against the misuse of opium had been initiated by the publication of the Philippine report.

It will be observed from the foregoing rapid survey of the question that Turkey, Persia, India, and China are the great producers of opium. The Turkish opium is used largely in the West, ostensibly for medical purposes, but Persian and nearly all of the Indian and Chinese product went to supply a great vice. Trade in the drug was sacrosanct under treaties and other international pacts, and China, not being in full possession of her sovereign rights, was compelled to receive any and all opium sent to her from India. Her own treasury was enriched by a tax on the home production that seemed to be beyond control and by a duty on that imported from India and other countries. The Indian exchequer was largely maintained by the income from her opium monopoly and the transit tax on the drug passing from the native states to British Indian territory. Morphia, the chief alkaloid of opium, had reached China, the Crown colonies of Great Britain, and India. The use of it had become widespread and had added a new terror to the opium problem. But from 1904 onward a rapid development of public opinion took place all over the world and before the International Commission met at Shanghai steps had been taken in the interested countries to control or prohibit the illicit and baneful use of opium.

THE RECENT ANTIOPIUM MOVEMENT.

It was debatable as to how far the British Government would have gone in suppressing the excessive production of opium in India had not the whole opium problem assumed a new phase by the entrance of the United States into the larger affairs of the Far East through the acquisition of the Philippines. Those who see no good in the American occupation of the islands should take comfort out of the fact that because the United States, too, had a vast problem there it gave new life to the antiopium movement, and took the initial step to raise the Indo-Chinese opium question from its narrow national confines and place it squarely before the international world for discussion and final settlement.

On taking over the Philippines it soon became apparent to the Government that opium smoking amongst the Chinese population of the islands was a widespread evil and that the vice was spreading to certain of the native Philippine population. Whole communities of natives had abandoned themselves to the practice, and as a consequence had utterly ruined themselves in health and fortune. The Government promptly took the question in hand, and preliminary discussions were entered upon in 1902. There were many conflicting views, and the question threatened to become confused. The Government then determined to investigate thoroughly, by a commission, not only the Philippine opium problem, but the entire problem as it then existed in the Far East. The commission was named in 1903. It visited Japan, China, French Indo-China, Formosa, Java, the Straits Settlements, and Burma. The result was a most comprehensive, illuminating, and judicial report. It led to restrictive measures and finally to the total prohibition of the importation of opium into the Philippines

except for medicinal purposes. The prohibitive legislation went into effect March 1, 1908. The Philippine Opium Commission reported in June, 1904, or just nine years after the report of the British royal commission. The effects of the two reports were entirely different. The royal commission report suppressed discussion of the opium problem. The Philippines report gave to it a renewed impetus. It aroused afresh the world's interest in the problem. The Philippines report was extensively distributed throughout China. Its effect was to revive in the minds of those Chinese interested in suppressing the opium vice hopes and desires that had slumbered for nearly 10 years. A new movement was immediately inaugurated by several Chinese leaders to stamp out the opium traffic.

The two most prominent leaders in the renewed effort of China were their excellencies Yuan Shi Kai and Tong Shao Yi. In the summer of 1906 Mr. Tong visited India, and as Sir John Jordan, the British Minister to Pekin, states in a dispatch of September 30, 1906:

"His excellency Tong Shao Yi seems to have been much impressed by the views he heard expressed on the subject of opium during his recent visit to India. From conversations which he had with Mr. Baker, the financial secretary, and other members of the Government of India, his excellency came to the conclusion that India was prepared to dispense with the opium traffic. On his return to China he informed his own Government that it was the Chinese craving for the drug, and not England's desire to force it upon China, which was now responsible for the continuance of the traffic. Mr. Tong could supply little information as to the steps which China proposed to take to suppress the opium habit. He seemed, however, to think that there would be a gradual reduction of the area of cultivation of native opium pari passu with a corresponding decrease in the import of the foreign article. Smokers of the drug, if officials, were to be given a term of about six months in which to break off the habit, and the ordinary people were to be dealt with on a time scale, graduated according to the degree in which they may have become addicted to the habit."

Shortly before Mr. Tong's visit to Calcutta a remarkable debate had taken place in the British House of Commons after the long period of inattention to the opium question which followed the publication of the report of the royal commission. The subject was brought up for discussion on the 30th of May, 1906, when Mr. Theodore Taylor moved "that this House reaffirms its conviction that the Indo-Chinese opium trade is morally indefensible, and requests His Majesty's Government to take such steps as may be necessary for the bringing it to a speedy close." Part of the speech of Mr. Morley, the Secretary of State for India, on this resolution has been quoted,[1] and it will be seen that the publication of the Philippines report influenced him considerably. This resolution was carried nem con, and the Chinese Government most naturally construed it as an invitation to them to prove the sincerity of their desire for the cessation of the import of Indian opium. Almost coincident with Mr. Tong's visit to Calcutta and the House of Commons resolution the Right Rev. Charles H. Brent, who had been a member of the Philippine Opium Commission, and had since the publication of the report been closely watching the opium problem in the Far East, wrote to President Roosevelt calling his attention to the new movement against opium. In that letter he suggested that the moment was opportune, considering her interests in the Philippines and the stand she had taken there, for the United States to call for some international action in regard to the opium traffic. The matter was promptly taken up by the State Department, and on the 17th of October, 1906, the American Ambassador to Great Britain informed Sir Edward Grey that—

"The American Government was much concerned with regard to the question of opium which had been raised in connection with the Philippines, and that he was instructed to ask me what view we should take for a commission for the joint investigation of the opium trade and the opium habit in the Far East, to be undertaken by the United States, Great Britain, France, the Netherlands, Germany, China, and Japan—that is, by those countries having territorial possessions in the Far East."[2]

Sir Edward Grey replied that he could not tell him at once, but that, though an interference with the import of opium into China would involve a great sacrifice of Indian revenue, that would not prevent the Government from considering the question or imposing some sacrifice if it was clearly proved that the

[1] See preceding page.

[2] China, No. 1, 1908.

result would be to diminish the opium habit. The Chinese were understood to contemplate measures for stopping or restricting the importation of opium in China, and if they were really to be taken it would be a thing which Great Britain should encourage.[1] After considerable diplomatic correspondence the above-mentioned Governments signified their willingness to join the United States in a joint investigation of the opium problem, and January 1, 1909, was appointed as a date for the meeting of the international commission at Shanghai. The original idea was that the opium traffic and habit as it existed in the Far East was to be investigated. But during the passage of the diplomatic correspondence it developed that the opium habit was no longer confined to Far Eastern countries, and that the United States especially had become contaminated through the presence of a large Chinese population. Further, that the morphine habit was rapidly spreading over the world. It was also seen that as Turkey and Persia were large producers of opium it would be necessary to invite them into the commission if the subject was to be thoroughly ventilated. Portugal was also a factor in the situation, through the possession of her colony of Macao, on the China coast, where considerable quantities of crude opium were annually imported from India, converted into smoking opium, and shipped to United States, Canada, and Mexico. Siam, though having no treaty relations with China, was nevertheless a factor in the problem on account of her long established government monopoly for the manufacture and distribution of smoking opium; Russia also, because of her contiguity in China. Although neither Austria-Hungary nor Italy had territorial possessions, except concessions in the Far East, yet it was thought desirable that they should enter the commission. Upon the development of the fact (as the result of the work of the American Opium Commission in 1908), that the opium question was no longer a question concerning oriental peoples, it was decided to widen the scope of the work of the commission so that it should include reports on the home States of the various countries concerned, as well as on their territories and possessions in the Far East. This program was notified to the various countries concerned in July, 1908, and they were asked to have a report prepared on the opium question as it affected the home States as well as their Far Eastern possessions, so that it might promptly be laid before the commission as a whole when it met at Shanghai. As a result of the broadening of the scope of the international commission, Austria-Hungary, Italy, Siam, Persia, Turkey, and Portugal were invited into the commission. Turkey failed to send a representative, but, in all, 13 nations were represented at Shanghai when the commission met. Owing to the death of the Empress Dowager and the Emperor of Japan the commission was postponed to the 1st of February, 1909.

HAMILTON WRIGHT.

Appendix II.

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THE INTERNATIONAL OPIUM COMMISSION.

(Part 2.)

GOVERNMENT ACTION SINCE THE PUBLICATION OF THE PHILIPPINES REPORT.

Following the issue of the Philippines report, and as the diplomatic correspondence proceeded, which led to the international commission, action after action was taken by the interested Governments to control or stamp out the misuse of opium. The Chinese Government was prompt, and her leaders and people enthusiastic. January, 1906, saw four of her great viceroys publish a manifesto on the subject. Part of it ran: "As Great Britain is the friend of China, she will shortly be called to assist the Chinese Government to stamp out the evil." The Chinese Government prohibited, without qualification, the use of opium in the imperial colleges and schools and in the recently created army. The Peking Gazette of September 20, 1906, published the following decree:

"IMPERIAL DECREE.

"Since the restrictions against the use of opium were removed, the poison of this drug has practically permeated the whole of China. The opium smoker

[1] Idem.

wastes time and neglects work, ruins his health, and impoverishes his family, and the poverty and weakness which for the past few decades have been daily increasing amongst us are undoubtedly attributable to this cause. To speak of this arouses our indignation, and, at a moment when we are striving to strengthen the Empire, it behooves us to admonish the people, that all may realize the necessity of freeing themselves from these coils, and thus pass from sickness into health.

"It is hereby commanded that within a period of 10 years the evils arising from foreign and native opium be equally and completely eradicated. Let the Government council (Cheng Wu Ch'u) frame such measures as may be suitable and necessary for strictly forbidding the consumption of the drug and the cultivation of the poppy, and let them submit their proposals for our approval."

Late in November 11 articles were made public for the enforcement of the above edict. They are as follows:

ARTICLE 1.—*To restrict the cultivation of the poppy in order to remove the root of the evil.*

The effects of poppy cultivation on the agricultural interests of the country have been disastrous. Throughout China the chief sources of opium production are the Provinces of Szechuan, Shensi, Kansu, Yunnan, Kueichou, Shansi, Kiangsu, and Anhui, but in the remaining Provinces it may be said generally that there is hardly a place from which it is absent. The term of 10 years has now been fixed for the complete prohibition of its use. It is therefore necessary first to limit its cultivation, in order that the complete prohibition of its consumption may be successfully carried out, and with this end in view, all governors general and governors of Provinces should direct the departmental and district magistrates to make an accurate investigation of the acreage in their respective jurisdictions hitherto devoted to the growth of the poppy, and to make an official return of the figures. It would then be forever forbidden to bring under poppy cultivation any land not hitherto used for that purpose. Certificates would be issued in respect of all land already used for growing the poppy, and the proprietor be compelled to reduce the growth each year by one-ninth part and to substitute other crops suited to the particular soil.

It will, moreover, be incumbent on the magistrates to make personal inspection at unexpected times of such lands. The certificates, too, will have to be changed each year, till within the period of nine years the whole cultivation is rooted out. Noncompliance with this rule will entail confiscation by the State of the land in question.

"Any local authority who succeeds in less time than the statutory 10 years in giving effect to the prohibition in respect to the land in his jurisdiction given up to the poppy, and in completely substituting in place thereof the cultivation of other crops, should, after due inquiry into the facts, be recommended to the throne for recognition.

ARTICLE 2.—*To issue licenses to smokers in order to prevent others from contracting the habit.*

The vice of opium smoking is of long standing, and it may be reckoned that some 30 to 40 per cent of the population are addicted thereto. The interdict must therefore be extended with some consideration for what is past, while being applied in all strictness for the future. All persons of the official class and the gentry, literary graduates, and licentiates resident at their homes throughout the Empire must be the first to be compelled to give up the habit, in order that they may serve as an example to the common people. All smokers, whether of the gentle or lower class, together with their wives and female servants, must without exception report themselves at the yamen of the local authority of their native place or place of residence. If they reside at a distance from such yamen or any police station, they may send their names in collectively, through the headman of the village.

Proclamation will be issued in advance by the local authorities giving the necessary directions, and forms will be supplied which smokers will have to fill in, giving their names in full, age, address, occupation, and daily allowance of opium; and a limit of time will be fixed for them within which they must report themselves as having given up smoking, due consideration being paid in this regard to the element of distance.

As soon as all the smokers have reported themselves, a register will be drawn up and a copy thereof be sent to the higher authorities for purposes of record and reference. At the same time printed licenses under the official seal will be prepared, and every smoker will be obliged to have his license. These licenses will be of two classes—(a) and (b). Persons over 60 years of age will get licenses under class (a), while those under 60 will be enrolled under class (b), provided always that no person who has held a license under class (b) shall be entitled to the issue of a license under class (a) on subsequently attaining the age of 60.

The license will contain the holder's name in full, age, address, daily allowance of opium, and date of issue, and will constitute the permit to consume and buy opium. Any person consuming opium without a license, or purchasing the drug, shall on discovery or information duly laid be subject to such penalty as may be called for. After the first inquisition, inspection will proceed on the basis of the register, and no fresh applications for licenses will be entertained, in order that the number of smokers may be strictly limited.

ARTICLE 3.—*To reduce the craving for opium within a limited time, in order to remedy chronic addiction thereto.*

After the licenses have been issued, and putting out of consideration persons over 60 whose constitutions are already undermined, and in whose case the question of giving up the habit need not be pressed, all persons under 60 holding licenses under class (b) shall have a limit set on the quantity of opium which they consume, to be reduced each year by 20 or 30 per cent, and to be totally given up within a few years. On becoming total abstainers, they will have to produce a bond signed by a relative or near neighbor, which will be presented to the local authority, and if found in order, the name of the party will be erased from the register, while the license will have to be surrendered for cancellation. Returns of all such proceedings will then be made quarterly to the higher authorities. But if, in spite of the liberal period of years allowed under this system, there should be individuals who fail to become total abstainers within the allotted time, they must be regarded as willful victims to self-abuse, and nothing remains but to expose them to punishment for not abstaining. In the future, therefore, if any holder of a class (b) license exceeds the time limit without giving up the habit and surrendering his license for cancellation, he shall, if an official, resign his office; if a graduate or licentiate, he shall be deprived of his rank and diploma; and if he be of the ordinary people, his name will be recorded by the local authority as an opium sot. A special list of such names will be kept, and a return thereof be made to the higher authorities. Besides this, such names, with the person's age, will be affixed in a public place for general observation, and also be exhibited in the town or village where such person lives, that all may know his condition. Such persons will, further, not be allowed to take part in any annual or periodical meetings which may be convened for any purpose by the local notables, or in any respectable concern of life, so that it may be clearly shown that they are outcasts of society.

ARTICLE 4.—*To prohibit opium houses, in order to purify the abodes of pollution.*

Before the time limit is reached upon which the prohibition becomes absolute it would naturally be hard to suddenly prohibit the existence of shops for the sale of opium. But there is a class of opium dens which offer a continual temptation to youths and the unemployed to frequent. These places are in every respect noxious, and should be prohibited by the local authorities, one after the other, a term of six months being fixed for the complete cessation of this calling, and the substitution of another trade. If the time limit is exceeded they should be compulsorily closed.

Eating houses and restaurants must also not be allowed to furnish opium for the use of guests, nor must guests be permitted to bring smoking appliances with them, under penalty of a heavy fine. Shops for the sale of pipe stems or bowls, opium lamps, or other smoking appliances, must also be given one year's time by the local authorities within which to close business, under penalty of a heavy fine. In any place where an excise is levied per lamp in opium dens, such levy must be discontinued within one month.

ARTICLE 5.—*To closely inspect opium shops in order to facilitate preventive measures.*

Although it is not possible to forbid at once the existence of opium shops, steps must still be taken to compel their gradual disappearance, and under no circumstances can any new shops be allowed to open. All shops in any city, town, or village which sell the raw drug or prepared opium must be severally inspected by the local authorities, who will draw up a list of them in the form of a register, and issue to each license which will constitute their permit to carry on this trade. Once the inspection has been made, no additions to the number of shops will be allowed.

Whenever persons come to such shops to buy opium, raw or prepared, the shopkeeper must examine the customer's license before he serves him, and without so doing must not sell any of the drug.

At the end of the year these shops must make a bona fide statement, in writing, to the local authority of the amount of opium, raw and prepared, which they have sold. The local authority will register these returns, and reckon up the total amount sold in his district by all the shops together, so as to show the amount of decrease in each year and for the purposes of comparison, provided always that within the period of 10 years the sale shall be entirely stopped. If the time limit be infringed, the shops will be compulsorily closed and the stock in hand be confiscated, besides the imposition of a fine of at least double its value.

Shops which from time to time drop out of the business must surrender their licenses for cancellation. The license must not be kept, under penalty of a heavy fine.

ARTICLE 6.—*To manufacture remedies for the cure of the opium habit under official control.*

There are many good remedies for curing the opium habit, and the high provincial authorities should appoint efficient and experienced medical officers to make a careful study of these, with a view to the selection of a number of prescriptions (suitable to the natural conditions of each particular locality) and the manufacture therefrom of pills or medicines, provided that such pills or medicines shall not contain opium ash or morphia.

Such remedial medicines should then be bought by the local authorities, who will distribute them among the local charitable institutions or medicine shops for sale at the original price, while poor persons will be allowed to obtain them free of charge.

The gentry and tradesmen will also be allowed to manufacture such remedies according to prescription for free distribution with a view to spreading this benefit more widely; and any person who can be shown to have promoted such distribution by his personal exertions or exhortation, and to have succeeded in breaking others of the opium habit thereby, shall be awarded honorary recognition by the local authorities.

ARTICLE 7.—*To allow the establishment of antiopium societies in order to promote this good movement.*

There have recently been several instances of public-spirited individuals who have combined with others of their own class in founding antiopium societies, and in mutually assisting in exhorting the abandonment of the habit. Such enterprises deserve the highest praise; and the high provincial authorities should direct the local officials to take the lead among the respectable men of standing in each place and develop the establishment of such societies, so that with each addition to the number there will be an additional center of activity. But such societies must only be allowed to concern themselves with the single question of giving up opium, and must not discuss current politics or questions of local government, or other subjects not related to the abandonment of the opium habit.

ARTICLE 8.—*To charge the local authorities with the duty of leading the movement among the local gentry and heads of guilds, in order that it may prove really operative.*

The present measure depends entirely on the local authorities taking the lead among the gentry and heads of guilds in giving proper effect to its provisions.

Success can only be attained by a loyal and conscientious effort in this direction. The high provincial authorities must therefore carefully examine each year into the reports of their inferiors, and study the returns of the number of consumers originally recorded and the number of abstainers, besides seeing whether due activity has been shown in the supply of antiopium medicines, and in promoting the formation of antiopium societies. By comparing these various records, they will be in a position to apportion praise and blame as due. They should also draw up an annual report for transmission to the council for State affairs, and to serve as a basis for examining the operation of this measure.

As regards the city of Peking, the officers in charge of all police stations, the captain general of the Peking gendarmerie, and the governor of Peking (Shuntien-fu) will be responsible for the due execution of these provisions.

If, before the expiry of the term of 10 years, it can be shown that there are already no opium smokers in any particular jurisdiction, the local authority shall be recommended for promotion.

In carrying out the survey of opium-bearing land, the inspection of opium dens and opium shops, and the issue of certificates and licenses, as well as in the registration of smokers, the strictest injunctions must be imposed on the official assistants, clerks, and servants, that no exactions whatever will be permitted, under penalty for infraction of this rule, and upon information duly laid of the punishments prescribed for extortion.

ARTICLE 9.—*To strictly forbid the smoking of opium by officials, in order that an example may be set for others to follow.*

The complete prohibition in 10 years of the use of opium applies to the general population. But the officials must set an example to the people. If they have such a vice, how can it be expected that they shall lead the people straight?

Now, it is desired to make this measure effective, and, with this end in view, it is absolutely necessary to start with the officials, and make the time limit for them more severe and the penalties for noncompliance more heavy, so that, as grass bends to the wind, the people may comply with their example.

From henceforth all metropolitan or provincial civil or military officials of high or low grade who are over 60 years of age, and who are so strongly addicted to the opium habit that they can not break it off, will be put out of consideration, as if they were of the common people, and treated leniently.

All princes, dukes, and other hereditary nobles, presidents and ministers of boards and metropolitan yamens, Tartar generals, governors general and governors, military lieutenant governors, deputy lieutenant governors, provincial commanders in chief and brigade generals holding substantive appointments are the recipients of the imperial favor to no small degree, and of exalted rank and standing. No deception or pretense on their part must be permitted in this matter. Any of these who have been in the habit of smoking shall be permitted to memorialize the Throne direct, praying for a limit of time to be fixed for them within which to give it up. During such period they will for the time being not be removed from office, but a substitute will be appointed to act for them. When they can show that they have given up the habit they will be allowed to resume office, but it must be clearly understood that no excuse of illness will be entertained as necessitating the further use of the drug beyond the appointed time. All other metropolitan and provincial officials, civil or military, substantive or expectant, of high or low grade, who are addicted to opium, shall be placed under the supervision of a delegate appointed by their superiors, and be directed to present a true statement of the facts of their case; and without consideration as to whether their craving for opium is heavy or slight, they will be given six months within which to give up the habit altogether. At the expiry of this period they must apply for an officer to be appointed to examine them again, and enter into a bond, which will be filed. If they become seriously ill and fail to break off the habit within the stipulated time, they may represent the facts to their superiors, in which case any hereditary title they may possess will be transferred according to the proper rules of succession to another to hold, and, if they are officials, they will be retired with whatever rank they may be holding. If it be discovered that they are holding back the facts and infringing this rule by means of deception, they must be impeached and degraded as a warning against any such trifling and deceit.

If the superior authorities are lax in examining, they shall be reported to the Throne for the determination of a penalty.

Further, all teachers and scholars in any schools or colleges, and officers and warrant officers of the army or navy, who are addicted to opium shall be dismissed within three months.

ARTICLE 10.—*To enter into negotiations for the prohibition of the import of foreign opium in order to close the sources of supply.*

The prohibition of the growth of opium and of its consumption is a measure of internal policy which we are justified in taking without further circumspection. But the question of foreign opium, which is imported from other countries, impinges on our foreign relations, and the imperial commands should therefore be sought to direct the board of foreign affairs to make a satisfactory arrangement with the British Minister with a view to effecting an annual decrease within the next few years of the import of foreign opium pari passu with the decrease of native opium, so that both may be absolutely prohibited by the expiry of the time limit of 10 years.

Besides Indian opium, the drug is also imported from Persia, Annam, and the Dutch Indies in no small quantities. In the case of treaty powers negotiations should similarly be entered into with their representatives in Peking to effect the prohibition of such import, while with nontreaty powers we can exercise our own prerogative in strictly forbidding the import.

All Tartar generals, military lieutenant governors, governors general, and governors should also direct their subordinate authorities and commissioners of customs to take preventive measures along the trade routes and frontiers to stop smuggling.

As regards morphia and the instruments used for its injection into the skin, the effects of which are even more injurious than those of opium itself, proper effect should be given to the stipulations laid down in Article XI of the British commercial treaty and Article XVI of the American commercial treaty, and instructions be issued to all customhouses to disallow the import of any morphia and instruments into China which are not for medical use; while a strict prohibition must be enforced against any shops in China, whether native or foreign, manufacturing morphia or instruments for its injection.

ARTICLE 11.

All Tartar generals, governors general, and governors of provinces should direct the civil and military authorities in their jurisdiction to issue proclamations promulgating these rules for general observance.

In January of 1907 another forward step was taken when the Chinese Government made certain proposals to Sir John Jordan, the British Minister at Peking, for the gradual abolition of the Indian opium traffic. After much discussion, the "ten-year agreement," as outlined in the supplement,[1] was accepted by both Governments on January 27, 1908, and went into effect on the first day of the same month. This "ten-year agreement" forms the present basis of the Indo-Chinese opium trade. By it Great Britain agreed to reduce the total exportation of opium from India (67,000 chests per annum) by one-tenth of the then average Chinese importation of the drug (51,000 chests). The Chinese at first contended for a reduction by one-tenth per annum of the direct export of Indian opium to China. Had this been accepted the Chinese importation of Indian opium would have fallen off by 5,100 chests a year. The British proposition that the total export from India should be reduced by one-tenth of the actual export to China leaves 16,000 chests wandering about in the Far East and ready to pour into the country where the demand is greatest. This places the Chinese Government at a disadvantage, for in the suppression of poppy cultivation in China, and the consequent scarcity of opium, the demand for and the price of Indian opium has risen, and without doubt part of the loose 16,000 chests will find their way to China, and so tend to defeat the object of Chinese statesmen.

On February 7, 1907, a second imperial decree was published by the Chinese Government as a reminder to all officials that it is in earnest in its antiopium crusade.

[1] Page 264.

"IMPERIAL DECREE.

"A memorial has been received from the board of the interior devising general arrangements for the prohibition of opium; and whereas opium is injurious to the public health, we have already issued an edict commanding every Province to fix a limit of time for its strict prohibition. The board having now recommended in their memorial the extension of branch antiopium societies, and that the opium dens throughout the Provinces should be uniformly closed and prohibited as laid down in the new regulations, it is hereby commanded that all Tartar generals, viceroys, and governors shall take part with their subordinates in conscientiously carrying out these steps. But strict as must be the prohibition against smoking, it is even more necessary to forbid the cultivation of the poppy, in order to sweep away the source of evil. The responsibility is, therefore, placed upon all Tartar generals, viceroys, and governors to see to it that cultivation is diminished annually, as prescribed by the regulations submitted to us, and that within the maximum term of 10 years the supply of foreign and native opium is completely cut off. There must be no laxity or disregard for this beneficial measure, which the throne so ardently desires."

The war against opium moved apace. On April 17, 1907, as the result of a suggestion of Sir John Jordan to Sir Edward Grey, a movement was set on foot to compel the British municipal councils in China to close the opium dens in the British concessions and settlements.[1] So great an impetus had the new movement contracted that by August 9, 1907, Sir John Jordan again suggested to his Government that both the export and import trade in prepared or smoking opium between Hongkong and the Chinese mainland be prohibited, and that both Governments should take measures to prevent smuggling into their respective territories.[2] This was afterwards agreed upon between the two Governments. June 26 of the same year saw another imperial edict directed against opium:

"IMPERIAL EDICT.

"Opium is in the highest degree detrimental to the people. In an edict of last year prohibiting the use of it, the council of government were commanded to frame regulations and to direct all yamêns throughout the country to put a stop to it.

"In the third month of this year (13th April–11th May) a further edict was issued, commanding that general instructions be given to act in strict accordance with the regulations which had been submitted to the throne, alike in respect of the cultivation, sale, and consumption of opium.

"The welfare of the people is a matter of great concern to the court, and this is a matter which must positively be put through. The governor of Peking and the Tartar generals, viceroys, and governors of the Provinces are commanded to issue strict instructions to their subordinates to put the prohibition into actual effect, to make it a matter of familiar knowledge in men's houses, to get completely rid of the evil. The maritime customs should keep a strict watch on the foreign opium which is imported, and the places in the interior which cultivate native opium must annually decrease the amount cultivated, in accordance with the dates sanctioned. It is further commanded that the relative merits of officials in this respect must be recognized. If the instructions are zealously carried out by an official in his own jurisdiction, it is permitted to memorialize the throne, asking for some encouragement to be shown him. If an official merely keeps up appearances and, while outwardly obeying, secretly disregards these commands, he is to be denounced by name for punishment.

"It is also commanded that an annual return of the land under opium cultivation be made, by way of verification and to meet the desire of the court to relieve the people of this evil."

On November 27, 1907, Sir John Jordan was able to send a most important memorandum to his Government, showing that the edicts against the cultivation of the poppy and the use of opium by the Chinese had been most effective in many of the Provinces.[3] On May 19, Mr. Morrison, the Times correspondent, was able to write from Peking:

"The first six months following the issue of the antiopium regulation expired on Friday, when the last of the opium dens in Peking was closed. All the

[1] China, No. 1 (1908), p. 11. [2] Ibid, p. 19. [3] Ibid, p. 31.

restaurants and houses of bad character where formerly the use of opium was universal some time ago, ceased to permit smoking on the premises. Tang Shao-yi, the moving spirit in the campaign at Peking, assured a foreigner that the antiopium sentiment was constantly gaining force. He was satisfied with the effect of the new regulations, especially in this Province, where the public use of opium had almost disappeared, and in his own Province of Canton—with one or two exceptions he knew of no new office given to a known opium smoker—it is added the movement is certainly popular, and is supported by the entire native press, while a hopeful sign is that the use of opium is fast becoming unfashionable."

In a later survey of some of the Chinese Provinces, especially Yunnan, Mr. Morrison was able to speak in high terms of the energy of the viceroys in stamping out poppy cultivation. During 1907 measures had been taken to close out the opium dens in the Japanese concessions. In the Russian concessions at Hankow and Tientsin opium smoking had been prohibited by order of the municipal council, and in the leased railway territory the administration came to an agreement with the Chinese to enforce the opium regulations in the near future. The French closed all of their dens in the French concessions at Tientsin, and in the French settlement at Shanghai steps were taken to close part of the dens there. Great Britain had closed all opium establishments in her concessions in China, and part of those in her settlement at Shanghai. Italy had closed out all the opium dens in her concessions of Tientsin by January, 1907; Austria also, in her concession of Tientsin by the 8th of August of the same year. China having no treaty relations with Persia and Turkey, was able, early in 1908, of her own free will, to regulate the opium trade with these two countries on the basis of the "ten-year agreement" with Great Britain. On April 17, 1908, an imperial decree was issued appointing imperial commissioners for the enforcement of the prohibition of opium. Under this decree Prince Kung, the Assistant Grand Secretary Lu Ch'uan-lin, and the associate directors of the Senate, Chinghsing and Ting Chen-to, were named the imperial commissioners for the enforcement of the prohibition of opium. They were to engage skillful physicians, Chinese and foreign, and forthwith establish a special investigation office for the eradication of the opium habit. All officials in public office known to be addicted to opium smoking are to be reported to the president and vice president of the board concerned, for punishment. If minor officials are found addicted to opium, their superior officers must be reported to the board for punishment. The commissioners must put aside all personal feelings and perform their duty ceaselessly and fearlessly. Should the prohibition of opium still fail to show satisfactory results, the commissioners will be held to account. Thirty thousand taels were provided out of the revenue from the taxes on opium for expenses connected with establishing the office, and 60,000 taels for annual expenditure.

March 22, 1909, saw the issue of an imperial decree, especially thanking foreign philanthropists and governments for aid in the battle against opium.

On the 23d of May, 1908, the following imperial rescript was issued. It provides supervisory regulations for the prohibition of opium:

PROHIBITION OF OPIUM—SUPERVISORY REGULATIONS.

SECTION 1.—*Diminution of cultivation.*

ARTICLE 1. Returns of the amount of land under opium cultivation, the names of the owners, and the amount of opium produced shall be made by all local officials within six months to the high provincial authorities, who shall forward collective reports to the board of finance and board of the interior.

ART. 2. The 10-year period within which opium is to be abolished shall be reckoned from Kuang Hsu (1906–7), and the cultivation of opium is to be diminished in accordance with the regulations laid down by the grand council. No opium must ever be grown on land not hitherto under opium cultivation, and in the case of land already under opium cultivation the amount must be annually decreased by one-eighth, taking as a basis the figure given in the returns for Kuang Hsu 34 (1908–9). The cultivation of opium will thus cease entirely in Kuang Hsu 41 (1915–1916). Returns shall also be made from time to time as to what crops are being grown on the land withdrawn from opium cultivation.

ART. 3. Permits, sealed by the provincial authorities, shall be issued by the local officials to opium growers, the permits being altered annually. Any person

growing opium without a permit shall be liable to punishment. A fee of 15 cashmou shall be levied on each permit, but no further charge whatever may be made.

SECTION 2.—*Public hongs.*

ART. 4. Since the inauguration of a consolidated tax on native opium, the Provinces of Anhui, Honan, and Shansi have already established a system of public hongs for the sale of native opium appointed by the branch consolidated tax office and the local official. These public hongs are responsible for the payment of the tax on native opium, and the grower must sell and the dealer purchase opium through them. The warehouseman must also report all purchases and sales of opium to the public hong, which sees that the taxes are paid. This system will now be extended to the other Provinces, and these public hongs shall keep a daily record of all sales of opium, giving the names of the purchasers, and shall report to the branch consolidated tax office. A general report, setting forth the reductions effected by each public hong, shall be furnished annually to the board of the interior by the directors-general of native opium taxation. In the case of Szechuan, Yunnan, Kweichow, Turkestan, and Manchuria, where there is no consolidated tax on native opium, the provincial authorities shall take action on the same lines.

Native opium warehousemen must hold permits from the local consolidated tax bureau and local official. Without such permits they will not be allowed to purchase opium either through the public hong or from the grower.

SECTION 3.—*Opium shops.*

ART. 5. Returns shall be furnished within six months by the local officials, through the provincial authorities, to the board of the interior of the number, situation, capital, etc., of opium shops in their jurisdiction. No new opium shops must be opened.

ART. 6. Opium shops must have permits issued by the provincial authorities and changed annually. Fees of from $2 to $6 will be charged for these permits, according to the capital of the shop.

ART. 7. Monthly returns shall be furnished by every opium shop of the amount of opium sold. No opium must be sold except to persons provided with permits. A general annual report shall be furnished by the provincial authorities to the board of interior.

ART. 8. All opium shops should endeavor to establish some other line of business apart from the trade in opium, for this trade must cease entirely within the fixed time limit.

SECTION 4.—*Opium divans.*

ART. 9. Under the instructions issued by the Government council in Kuang Hsu 32 (1906–7) all opium dens were to be abolished within six months. Should there still remain any opium divans or tea-houses, wine shops, etc., providing facilities for opium smoking, they must be closed at once under pain of severe punishment.

SECTION 5.—*Utensils for opium smoking.*

ART. 10. Instructions have already been issued in Kuang Hsu 32 (1906 7) for the closure of all shops selling utensils for opium smoking. The local officials must now investigate whether any shops for the manufacture or sale of such articles still exist, and, if any are discovered, they must be closed and the proprietors fined.

SECTION 6.—*Opium smoking.*

ART. 11. The authorities of each Province shall fix a time within which returns shall be furnished by each local official of the name, residence, and age of every opium smoker within his jurisdiction. An annual report embodying these returns shall be made by the provincial authorities to the board of the interior.

ART. 12. Opium smokers must obtain a permit from the local officials, stamped by the provincial authorities, and renewable annually. Only those holding such permits may purchase opium. The amount of opium required for daily consumption shall be entered on the permit, and not more than that amount can be purchased.

SECTION 7.—*Cure of the opium habit.*

ART. 13. Offices shall be established by local officials for the purpose of issuing to medicine shops and philanthropic institutions antiopium medicines recommended by the board of the interior. These medicines shall be sold at cost price or given free to poor persons. Provincial authorities should send to the board, for investigation, samples of any good antiopium remedies discovered by persons in their jurisdiction.

ART. 14. Local officials should encourage the foundation of societies for the cure of the opium habit, the publication of antiopium literature, etc., but such societies must not be allowed to concern themselves with anything apart from the abolition of opium.

ART. 15. Local officials shall investigate whether any of the medicines sold by drug shops or other establishments in their jurisdiction are compounded with morphia, and shall take steps to prevent the illicit sale of that drug.

SECTION 8.—*Rewards and punishments.*

ART. 16. A local official who has furnished by the proper date all the returns called for under these regulations may be recommended for favorable notice to the board by the high authorities of his Province.

ART. 17. A local official who has enforced within the fixed limit of time all the prohibitions specified in these regulations may be recommended for favorable notice to the board by the provincial authorities.

ART. 18. If a local official succeeds within the space of one year, and without inflicting undue hardship on the people in his jurisdiction, in reducing the amount of land under opium cultivation, the number of opium shops, and the number of smokers by more than three-tenths, the viceroy or governor may present a memorial recommending that he should be granted some special mark of approbation by the board,

ART. 19. A local official who fails to furnish the proper returns by the proper date or who makes false returns shall be reported to the board for punishment.

ART. 20. A local official who fails to enforce within the fixed limit of time the various prohibitions specified in the regulations shall be reported to the board for punishment. A false return under this article will involve still more severe punishment. The superior officials will also, if they were aware of the circumstances, be liable to the same punishment.

ART. 21. A local official who fails to effect within his jurisdiction in a year a decrease of at least one-eighth in the amount of land under opium, the number of opium shops, and the number of smokers shall be reported to the board for punishment.

ART. 22. The present regulations shall be carried out in accordance with those laid down by the Government council. Details shall be arranged by the provincial authorities in accordance with local conditions.

ART. 23. The amount of fees collected under these regulations must be reported periodically to the board, and will go to meet the expenditures connected with the prohibition of opium. No other charges beyond the fees fixed by these regulations may be levied, and should it afterwards appear advisable to increase the amount of these fees a joint memorial on the subject will be submitted by the board of revenue and the board of the interior.

REGULATION OF IMPORT OF PERSIAN AND TURKISH OPIUM.

It has been mentioned that China having no treaty relations with Persia and Turkey, was able to impose her will as to the importation of opium from these countries. In regulating the Persian and Turkish opium trade, she followed the lines of the Anglo-Chinese 10-year agreement. The regulation is as follows:

From the 1st of January, 1909, any merchant wishing to import into any open port of China any Persian or Turkish opium must apply to the commissioner of customs at Kowloon for a special permit—one for each chest of opium. This permit shall state that the opium may be shipped to any open port in China, and that, on its arrival, duty and likin will be paid in accordance with the regulations. Any Persian or Turkish opium shipped to China for which this special permit can not be produced shall be confiscated.

Taking 1,125 piculs as the mean annual import of Persian and Turkish opium, this quantity shall be reduced every year by one-ninth, i. e., 125 piculs. Thus

in 1909 special permits will only be issued for 1,000 piculs, and by making a similar reduction annually the import will entirely cease in nine years.

After 1916 no more special permits will be issued, and the import into China of Persian and Turkish opium, as well as that of Indian opium, will be completely suspended.

The special permits will only be issued to merchants who have hitherto, to the knowledge of the imperial maritime customs, been engaged in the trade in Turkish and Persian opium. In fixing the number of special permits to be issued annually to each merchant, the total import during the two years 1906–7, and the quantities imported by each merchant during those years will be taken as a basis, the number of permits being annually decreased.

It may well be asked at this point, What has been the effect of the edicts and regulations issued by the Chinese Government? The movement against opium in China operates over so vast a territory and affects so large a population that it would take up too much space to detail the whole extent of the reformatory movement. It is always difficult to reform a people by legislative enactment. Moreover, apart from this difficulty, the fiscal side of the opium question is a very important factor to China. The Chinese central and provincial governments have been in receipt of over £7,000,000 [1] from a tax on the internal production of opium, and duty and likin on that imported from India. This must be replaced, and the matter is now being considered by the board of revenue. It is to the credit of the morals of the Chinese authorities that they are pushing the crusade against opium even though in their wisdom they have not yet found a means to replace the disappearing opium revenue. Beyond a doubt, in the near future the question of replacing the opium revenue will be put on a satisfactory basis.

A few instances will illustrate the vigorous manner in which the provincial and municipal authorities are attempting to carry out the spirit of the edicts and regulations.

"Foochow, with a population of 650,000, was one of the first great cities to be dealt with. The date fixed was May 12, 1907. Several days before a thousand threatened traders, conscious that their craft was in danger, met in one of the temples, drafted a remonstrance, and subscribed a large sum of money wherewith to defend their interests.

"They met in vain. The man who presented the petition was locked up. The resistance collapsed, and on the 12th 3,000 shops in Foochow city and suburbs ceased to traffic in opium. One man who held on, trusting to his influence with officialdom, was summarily lodged in jail and his property confiscated. Two or three others were marched through the streets in chains. So far as is known, there did not a week after exist a single opium den in the city. Strong vigilance committees helped the officials. The day of closing was a day of general rejoicing. Flags floated everywhere, and processions of students paraded the streets with banners; 'unbounded joy' was shown over the victory won. Months after, it is said, 'Bands of students frequently go about the streets in order to see that the edict is complied with. Several hundreds of citizens have been fined or otherwise dealt with. There are three opium refuges in the city and four others on the island of Nantai. These are financed by the gentry. There are in addition many private refuges.'" [2]

The correspondent of the Morning Post observed, June 28, 1906:

"The closing of the opium shops in the native city (Shanghai) is apparently effective. The extraordinary precautions taken by the native authorities prevented the expected trouble. Two Chinese cruisers were anchored in front of the Chinese Bund to protect the opium hulks, while parties of soldiers and native volunteers and police patrolled the streets and visited the shops."

Officials who have disobeyed the edicts have not escaped, for on October 10, 1907, an imperial edict appeared ordering Tsai Kung, Prince of Chuang, First Order; Lu Pao-chuang and Chen Min-Kan, president and vice president, respectively, of the Censorate, Kwei Pin, Prince of Jui, First Order, to resign their offices because they had not broken off the opium habit. As a result of these enforced resignations, large numbers of the various ministries and the metropolitan departments were awakened. Sick leave was granted to opium-smoking officials at the rate of three or four per day. The places of those taking sick leave were kept open for three months, and if at the end of that time they had

[1] Mr. Leech's estimate, Opium Question in China. China No. 1 (1908). The estimate is probably too high.

[2] Rowntree: "The Imperial Drug Trade," p. 297.

not effectively broken off the habit, their positions passed to others. The late Empress Dowager gave the inmates of the palaces three months to get rid of the opium habit. Those who did not do so were punished with 100 blows and expelled the palaces. Dr. Morrison of the Times stated on the 19th of May, 1907, that in the capital Province of Chihli—

"The results of the antiopium movement are wholly satisfactory. In Canton Province and in Kwang-si also they are satisfactory, and to a less degree in Szechuan, Che-kiang, Nganwhei, and Shansi. Unsatisfactory are Shantung and Shanghai; but in Nanking, while practical effects as regards the general public are not apparent, effective measures have enforced the suppression of the habit among the military and student classes. Especially unsatisfactory are the Yangtsze Provinces under Chang Chih-tung, who formally wrote against opium. Hsu Chih-chang, the new viceroy of Manchuria; Tsen Chun-hsuan, the new president of the ministry of communications, and Duke Tsai-tse, the new president of the ministry of finance, are all strongly against opium, as are the new viceroys of Yun-nan and Sze-chuan, two of the greatest opium-growing Provinces."

Correspondents of the European and American papers have for the past two years been telling of bonfires made of opium pipes and the disgrace of officials who have not got rid of the opium habit, and of the closing up of the opium dens in all the large centers of population. Mr. Leech, councilor of the British Legation at Peking, reported on June 24, 1908, that there was some apathy amongst the provincial authorities. He cites two principal reasons for this, i. e., the fact that so many public officials are still addicted to the drug, and the question of provincial finance and the finding revenue to replace that at present derived from opium. But he observes that—

"On the whole it may be said in regard to the antiopium regulations that officials showing sufficient force of character to uphold them are almost sure of support from the people, prompted as the latter are by the force of public opinion, a force formerly unknown in China and of recent growth, but which is well upheld by the native press and incipient moral education of the nation and the awakening of a national conscience. The Times correspondent has aptly used the expression 'bad form' in describing the view of the educated Chinese toward opium smoking in public, and should this sentiment gain in moral force there seems no reason why it should not develop into 'losing face,' that most powerful of all rules of conduct in China, corresponding either to 'dishonorable' or 'ungentlemanlike,' as the case may be."[1]

Mr. Leech then reviews the question of opium suppression in the various Chinese Provinces. On the one side of the account we have such Provinces as Shansi, where the dens and shops may be said to be generally open and uninspected, and the poppy cultivation has been slightly reduced. In the Province of Shensi there is no lack of proclamations; but the officials take no material steps to stop the use of the drug. In some districts poppy cultivation has been reduced by means of high taxation. On the other side, we have a Province like Kansu where the use of the drug is restricted by proclamation, and the restriction is enforced, causing heavy losses to merchants. In the south of Shantung Province the cultivation of the poppy has been reduced 5 per cent, wheat being substituted. Kiangsu Province continues to be amongst those foremost in combating the evil; a stigma has been attached to opium smoking which it has not previously possessed. In Fukhien Province the area of cultivation of the poppy has been reduced about one-fourth. In Hunan Province a Wesleyan missionary, who had recently traveled 2,000 miles in the eastern part of the Province, reported to Mr. Leech that he had found that in some places it was impossible to purchase opium, and the provincial treasurer, who was a warm supporter of the antiopium movement, was prepared to guarantee that no poppy would be grown in the Province in 1909. There is no doubt that a substantial decrease in poppy cultivation has taken place throughout China. To what extent it is impossible to state, for the Chinese Government has no scientific system of record. Morse[2] has estimated that the total production in all China for 1905 was 376,000 piculs. For the year 1906 an estimate, based on customs reports, places it at 584,800 piculs.[3] Mr. Leech[4] estimates that for 1907 the total production was 331,000 piculs. An estimate, based on customs reports gives

[1] Opium Question in China. China No. 2 (1908).
[2] The Trade and Administration of the Chinese Empire, p. 350.
[3] Chinese Report International Opium Commission.
[4] China No. 1 (1908).

the total production for 1908 at 367,250 piculs. The Chinese themselves accept the estimates for 1906 and 1908 as based on the customs report. Although these figures are estimates only, still they will have to be taken as the official estimate of the Chinese Government. If so taken, there appears to have been a reduction since 1906 of 217,550 piculs in the internal production of opium. This reduction, or a fair part of it, indicates that China is capable of acting up to the "Ten-year agreement."

As the time for the meeting of the commission approached, Great Britain not only expressed sympathy for the Chinese Government in its effort to suppress the misuse of opium, but carried out practical measures to that end, and at the same time in regard to her problem in India and the Crown Colonies. In regard to India, it has already been pointed out that the British House of Commons passed a unanimous resolution condemning the Indo-Chinese opium trade (vide supra, pt. 1), and Lord Morley's speech in support has been partially quoted. Since then Lord Morley has stated the position of the Indian Government not only in regard to China, but to the whole question of the Indian opium trade, and in a way not to be misunderstood. In August, 1907, Lord Morley authorized the following statement:

"The first concerning his insistence that China must fulfill her part of the agreement founded on her own proposals,[1] if England is to do the same. Mr. Morley explained that from his point of view such insistence was intended, not as a threat to China, but rather as a help to her to hold fast to her obligations, and to go forward with their fulfillment.

"The second point concerned the action of our (i. e., the British) Government in case China should fail to carry out her own proposals—was it to be understood that the present movement for the gradual extinction of the Indian opium export should, in that case, come to an end? Mr. Morley did not see that that was implied. There were two broad grounds for the present movement; one, the proposals of the Chinese Government, the other the resolution of the House of Commons on the 30th of May, 1906. If the first should fail, the second did not necessarily cease to be a ground of action.

"The third point concerned a possible plea on the part of China that the process of reduction might go on more swiftly than her own first proposals contemplated. Would Mr. Morley be prepared to consider such a plea if deliberately put before him by the Chinese authorities? In reply Mr. Morley said that he could only refer to his statement on May 30, 1906, that any deliberate proposals from the Chinese Government on the subject of opium would meet with sympathetic consideration."[2]

It will be seen that the British Government in contracting the 10-year agreement with China intended that it should be a help to her to hold fast to her obligations, for the Indian side of the opium question was, under certain circumstances, a question by itself, and would be treated quite apart from any action of the Chinese Government on its own internal opium problem, and if China wished for further assistance from Great Britain, her proposals would be sympathetically considered. There can be no doubt that this is the confirmed view of the British Government and of a large majority of the British nation. To substantiate the British position, the House of Commons took a step further on May 6, 1908, when the following resolution was proposed and adopted unanimously:

"That this House, having regard to its resolution unanimously adopted on May 30, 1906, that the Indo-Chinese opium trade is morally indefensible, welcomes the action of His Majesty's Government in diminishing the sale of opium for export, and thus responding to the action of the Chinese Government in their arrangements for the suppression of the consumption of the drug in that Empire; and this House also urges the Government to take steps to bring to a speedy close the legislation licensing the opium dens now prevailing in some of her Crown colonies—more particularly Hongkong, the Straits Settlements, and Ceylon."

Col. Seeley, the under secretary of state for the colonies, accepted the resolution on behalf of the Government and announced that the following telegram had already been sent to the governor of Hongkong:

"His Majesty's Government has decided that steps must be taken to close opium dens in Hongkong, as they recognize that it is essential in dealing with

[1] The 10-year agreement; vide supplement, 264.
[2] Rowntree: "The Imperial Drug Trade," p. 285.

the opium question in Hongkong that we must act up to the standard set by the Chinese Government."

That this was no mere party resolution is proved in that it passed unanimously and that it was strongly supported by the Right Hon. Alfred Littleton, secretary of state for the colonies in the late Conservative government.

As completing the position of the British Government, the chief of the Indian administration may be quoted in regard to the opium traffic. Lord Minto said, in speaking on the Indian budget, March 27, 1907, that—

"The Indian government is not entitled to doubt the good faith of the Chinese Government as to the objects of their proposals (i. e., the '10-year agreement'). There is, no doubt, throughout the civilized world a feeling of disgust at the demoralizing effect of the opium habit in excess: it is a feeling which we can not but share. We can not with any self-respect refuse to assist China on the ground of loss of revenue to India."

The self-governing colonies have not lagged. for Canada prohibited the importation of opium, except for medicinal purposes, in July, 1908. The Governor General of Australia, by virtue of the Commonwealth customs act mentioned above (pt. 1), issued a declaration dated December 29, 1905, that after the 1st of January, 1906, the importation of opium, suitable for smoking, into Australia will be prohibited absolutely, and that opium shall only be imported for medicinal uses and by persons licensed. Anticipating the House of Commons resolution of May 6, 1908, in regard to the use of opium in the Crown colonies, the government of Ceylon appointed a committee on the 12th of June, 1907, to inquire into and report upon opium. The committee reported on the 5th of December, 1907, condemning the Ceylon opium trade, recommending that the importation, distribution, and sale of opium be made a Government monopoly and that the use of the drug, except for medicinal purposes, should be entirely prohibited after a definite period.[1] On the 19th of July, 1907, the governor of the Straits Settlements appointed a commission of six members for the purpose of inquiring into the opium habit. On the 15th of June, 1908, the commission reported. The report may be said to have been profoundly influenced by the royal commission report of 1895. Its conclusions were about the same. But it is expected that the British Government will disregard it and order the closing of the opium business in the Straits and Federated Malay States.[2] At Hongkong discussion has waged furiously as to the right and the wrong of the opium habit, but the local government has gone as far as to prohibit by ordinance the exportation of smoking opium to China and to French Indo-China. Although, by special pleading and otherwise, the Government is fighting hard for its opium revenue, the British colonial office has ordered the closing of the opium dens by March 1, 1910. This will mean a loss of revenue to the country of about $700,000 gold. But it is possible that the Imperial Government will make some sacrifice to assist not only Hongkong, but the Straits and Ceylon and the other colonies whose finances will be affected by the loss of the opium revenue. Thus history repeats itself. For having recognized the immorality of the opium traffic and its consequences, the British people have begun a determined effort to sacrifice a large revenue to the end that a widespread evil may cease. The historic parallel is the old British slavery question.

France has placed herself in line with the new movement. On the 22d of August, 1907, a commission was appointed to study measures to be progressively adopted for the gradual suppression of opium smoking in French Indo-China. As the result of the work of the commission,[3] no new opium dens are to be authorized. The price of the drug is to be increased and officials known to be opium smokers are excluded from promotion. The minister of the French marine has issued a circular prohibiting opium smoking on board French men-of-war. On October 5, 1907, the governor general issued a circular forbidding in the most formal terms the use of opium to all European civil servants and agents of all services and of all ranks. Anyone infringing this prohibition is to be denounced at once and rigorous measures will be taken against him. Culprits are to be deprived of all "inscription en tableau," and of all promotion. All European officials who are such confirmed smokers that they can not abandon the habit at the end of three months, will be immediately dismissed the service. Of great importance has been the prohibition of the sale of Yunnan opium in

[1] Correspondence on Consumption of Opium in Ceylon, White Book, 1908.
[2] Straits Settlements and Federated Malay States Opium Commission, Singapore, 1908.
[3] The commission reported Feb. 7, 1908.

Cochin China and Cambodia. The result of all these measures has been a decrease in the purchase and sales of opium by some 45 per cent. The very heavy tax which the French Indo-Chinese Government has imposed on the sale of opium has restricted its use to the wealthier Chinese. The only notable exception to this is the coolie population of the town of Cholon in Cochin China, where one-half of the male adults smoke. The French Government is hopeful that in the near future the entire traffic in and the use of smoking opium will come to an end.

In the United States public opinion was aroused as the result of the work of the American Opium Commission[1] during the summer of 1908. Investigation showed that the use of morphine was a widespread evil, and that the habit of smoking opium was no longer confined to the Chinese population. On the 9th of last February a statute was passed making it a penal offense to import opium into the United States except for medicinal purposes. This statute went into effect April 1, 1909. The prohibitory legislation of the Philippine Islands went into effect March 1, 1908.

Japan can not be said to have made any step toward regulating her opium business in Formosa to final extinction, although it is her professed object to do so.

On the 21st of September, 1908, the King of Siam declared that—

"It was unquestionable that opium had an evil effect upon its consumers and casts degradation upon every country where the inhabitants are largely addicted to the habit of opium smoking. There is no reason to doubt that the most earnest desire of nearly every country in the world is to suppress this noxious habit."

The King goes on to discuss the financial difficulties confronting him in his desire to suppress the use of opium. But he continues:

"Notwithstanding these great obstacles which we see standing in our way, it is, nevertheless, our bounden duty not to neglect our people and allow them to become more and more demoralized by indulgence in this noxious drug."

Since that speech the Siamese Government has executed special measures in the administration of the opium monopoly whereby the spread of the habit will become gradually lessened until it is entirely suppressed. Thus Siam has joined the new movement against opium which began with the more active entrance of the United States into far eastern affairs.

This review of the movement against the misuse of opium in its later phases has made no mention of the efforts of the various antiopium societies to call the Governments to action. It should be mentioned to their credit that when the new movement began their interest in it was active, self-contained, and effective. Before dealing with the commission itself it is fair to plead that much of the antiopium legislation that occurred prior to the meeting of the commission should be placed to the credit of the commission. From the date of the original letter calling for the commission the United States Government made strenuous efforts both by study and legislation to appear at Shanghai with clean hands. The other Governments taking part were beyond doubt animated by a like motive.

THE OPIUM COMMISSION ITSELF.

When the commissioners representing the various powers concerned met at Shanghai it was found that they had to all practical purposes followed the program as laid down by the United States Government—that is, each delegation came prepared to lay before the commission as a whole a report on opium as it affected their national, dependent, and protected peoples. On the American delegation naturally devolved the leadership in the commission. Organization was quickly completed, largely through the courtesy of the British and Chinese Governments in instructing their delegations to support Bishop Brent for the presidency of the commission.[2]

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[1] Report on Opium, its Derivatives and Preparations, February, 1909.

[2] Upon taking the chair Bishop Brent said: "Fellow members of the International Opium Commission, in electing me your chairman you have conferred an extraordinary honor on the Government which I represent. In behalf of the United States of America and also in behalf of my esteemed colleagues, I beg to thank you for this distinction. * * *

"The question that brings us together—the opium question—is an extremely difficult one, and I think the very first thing that all of us should do is to frankly recognize the fact and openly admit it. It is a great problem and we can hope to reach a successful

The American delegation approached its work with some diffidence, for, although it had developed that the American people were more largely interested in the opium problem than was at first thought, still the revenue at stake was a small matter compared to that of Great Britain, France, the Netherlands, Siam, and other countries represented. However, the American delegation were animated by a few fundamental principles. It was assumed that the mere existence of the commission was tantamount to acknowledging that the traffic in opium and its misuse was immoral; therefore the American delegation determined to use the term "moral" as seldom as possible in any discussion. Then, again, it was decided that the opium problem should be regarded as a problem of to-day, and that no historical references should be needlessly made. It was agreed that the last century phase of the question was of interest to the historian, but that discussion of it would lead to no practical results and might considerably fog the issue. The American delegation concluded that the bane of all past reports on opium was the minority report or the dissenting opinion; that time after time such reports and opinions had thrown the opium question again into the melting pot. It was decided, therefore, that no conclu-

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solution of it only by facing facts and facing them squarely. We must have courage, and it seems to me that two principal features of courage are sincerity and thoroughness. All great problems go through two distinct stages. The first stage is what might be termed the emotional stage; it is based largely upon sentiment and ideals that are conceived in the inner self, sometimes more independent of facts than is warranted. In the problem before us for a long period we have been passing through this preliminary stage—what I have termed the emotional stage. The emotional stage finds expression in agitation. We have had agitation. Now I believe we are at least midway in the second stage, when men deal with ascertained fact, and on the basis of ascertained fact reach certain conclusions of a practical character that will enable those upon whom the responsibility rests to arrive at some final conclusion.

"The first steps toward this international commission were taken some time since by the Government which I have the honor of representing. The negotiations for the establishment of the commission have covered a considerable period of time. At first it seemed wise to restrict the nations that would take part in this investigation, or commission of inquiry, to those which through territorial possessions, agriculture, or commerce were actively interested in the opium question in the Far East. Since that time the scope has been considerably widened. Countries that have not the problem in its more acute form, as in the case of my own country and that of other countries similarly situated, were by mutual consent included by the powers already interested, so that now I think we may say we are in a very real sense an international commission. Almost at the last moment—indeed, at the very last moment—two countries without a serious opium problem of their own were included by their expressed desire and by the ready acquiescence of all other countries that up to date had notified their willingness to take part in the inquiry. Last summer it was decided by the American commission—and notification was sent to all other Governments concerned—to study every phase of the opium question in their own territory, including the homeland. So that, presumably, in this international commission, as we are desirous to ascertain all facts that will enable us to come to some satisfactory conclusion, we shall agree in the desire to receive such information as is presented regarding the various aspects of the question in all the countries represented on the commission.

"It devolves upon me to pronounce with emphasis that this is a commission, and as those who are informed—as all of you must be in matters that pertain to international affairs of this kind—a commission is not a conference. The idea of a conference was suggested, but it seemed wise to choose this particular form of action rather than a conference, because, for the present at any rate, we are not sufficiently well informed and not sufficiently unanimous in our attitude to have a conference with any great hope of immediate success. Further, this commission is a temporary commission as distinguished from some of the permanent commissions already in existence, and if we were to look for the source of our origin I think we would find it in the articles of the First Hague Conference, which provides for such international commissions of inquiry where points of difference on matters kindred to that which is before us arise between the powers. So that in all our deliberations and in all our committee work we must bear in mind that we are to confine ourselves to facts that will enable us to reach, I trust, certain unanimous resolutions and perhaps some recommendations of a practical, broad, and wise character in connection with those resolutions. But, if I may be permitted to make a suggestion to this assembly, it seems to me that it would be extremely wise if we were to rule out of our deliberations what might be termed useless historical questions beneath which a great deal of controversy lies hidden and which would only tend to fog the issue. The one way to reach a satisfactory solution of a grave problem is to simplify as far as possible the elements of that problem, and I believe that history bears me out when I say that no great question has ever been satisfactorily settled until men have come to a realization of the fact that purely side issues and controversial matters which do not touch the main question must be set aside and ignored. They may be of interest, but they are of no practical importance, and, indeed, are impediments in the actual working out of the main question.

"I feel that I am speaking not merely for myself and my colleagues on the American commission but for this distinguished assembly when I say that we are here to do such work as will bring the utmost credit to our respective countries and the utmost benefit possible to mankind. We must study this question in its every aspect—moral, economical, and commercial, diplomatic also, if you will—and we must study it, as I have already said, with those two phases of courage which will bring us to a happy conclusion of our labors with sincerity and thoroughness.

"Nothing more remains for me to say, gentlemen, except to announce that this International Opium Commission is now organized and ready for business."

sion would be urged that could not be carried by an overwhelming majority or unanimously. It was recognized, too, that the acts of the commission would be important as an historical precedent, and it was determined that the commission, so far as the American delegation was concerned, should strictly adhere to the rules in regard to commissions of inquiry as propounded by the First Hague Conference and that the rules under which the commission operated should, as nearly as possible, comply with the rules of the Second Hague Conference. As illustrating the spirit in which the American delegation entered the commission, the address of the president on taking the chair may be consulted.

Bishop Brent, on taking the chair, read for the benefit of the delegations the letter of instructions issued by Mr. Root to our conferees at the Second Hague Conference.[1] That had a good effect in that it showed that the American delegation was not at Shanghai to take an extreme position, even though it was recognized by all the delegations that the United States Government and people stood for immediate and total prohibition of the misuse of opium. With some 35 or 40 delegates present, there was the danger that there might be much useless and perhaps emotional discussion. But this was avoided by according to each delegation but one vote, and thereby making the leader of each delegation on the floor the mouthpiece of his Government. This practically confined discussion and oratory to 13 delegates. The rules under which the commission worked may be of interest and are therefore included in a footnote.[2]

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[1] Second International Peace Conference, p. 7.

[2] *It is resolved*—

(1) That the Chair shall be addressed as "Mr. President."

(2) That no delegate shall continue to speak until recognized by the Chair.

(3) That when a vote is taken each delegation shall have only one vote. On questions of procedure or discipline the president, in the event of a vote being equally divided, shall have a deciding vote.

(4) That immediately upon the adoption of these rules, the president shall call for the presentation of reports concerning the various phases of the opium question in the territories and dependencies of their respective countries from the delegations taking part in the International Opium Commission.

(5) That each delegation in its turn (alphabetically) shall then lay a report covering its data on the opium question before the commission, without discussion or debate. It shall be within the power of the president to allow the presentation of any report to be postponed on due cause shown.

(6) That a copy of each report shall be supplied to each member of the commission, and a reasonable time allowed to members of the commission generally for the examination of the report presented; and that thereafter the president shall call upon the commission to discuss any report that may be ready for investigation.

(7) That one or more committees may be appointed for the purpose of studying the reports referred to under rules 4, 5, and 6, or any specific portion of them, when it is apparent that previous study by a limited number of delegates is necessary for arriving at a conclusion regarding any problem under consideration.

(8) That any committee so appointed for the detailed study of a report, or section of a report, shall, upon the termination of its labors, report the result of its examination to the commission in plenary session, whereupon a general discussion on the report of such committee will be in order.

(9) That the number and constitution of committees shall in every case be decided by the commission in plenary session; but a committee may complete its own organization.

(10) That the manner of forming committees shall be as follows: Each delegation shall hand in the name of one of its members to the president, who from amongst them will proceed to nominate the number necessary to serve on any one committee; any delegate who is not himself a member of a committee may attend the sittings of such committee without taking part in any of its proceedings.

(11) That all proposals submitted to the commission shall be handed to the president (or chairman of a committee) in writing, and a copy supplied on request to each delegation.

(12) That the public shall not be admitted to the commission, but that such information regarding the progress of the general proceedings as may be deemed expedient to make public shall be communicated to the press by a committee of three to be elected for that purpose.

(13) That the minutes of the plenary sessions of the commission shall give a succinct résumé of the deliberations, and that a proof copy shall be opportunely delivered to the members of the commission; and the minutes shall not be read at the beginning of a session unless specially called for. Each delegate shall, however, have the right to request the insertion in full of his special declarations, according to the text delivered by him to the secretary, and to make observations regarding the minutes.

(14) That both English and French shall on principle be recognized as the languages to be used in the commission, and that steps shall be taken to insure that the deliberations be rendered, if necessary, and the minutes recorded in both languages.

(15) That each delegation shall have the right to introduce a secretary of delegation to the meetings of the commission, providing that such secretary holds a substantive post in his Government service. Exception to this rule may be made in the case of a delegation of a country having no consular or diplomatic representative in China; but under no circumstances will other than bona fide secretaries be admitted. The names of secretaries to delegations shall be formally reported to the chair.

(16) That, except when otherwise decided by the commission, the hours of meeting of the commission shall be from 10.30 a. m. to 12.30 p. m., and from 2 to 5 p. m., on every day of the week except Saturday and Sunday.

It will be seen by rule 5 that each delegation was required to report on its own opium question without discussion or debate. That rule resulted in the first half dozen sessions of the commission being very businesslike and of short duration, and by the 22d of February each delegation had placed its report before the commission as a whole, and the entire opium question was in scientific form and open to discussion and debate. The United States Government being the conveners of the commission, the other delegations naturally looked to the American for a program. It was decided that it should be in the shape of a series of resolutions. Such a program[1] was drawn up by the American delegation in informal consultation with several of the other delegations, and on the 23d of February it was submitted for discussion and amendment. It was clearly stated, on submission, that the American delegates, after due consideration of the historical aspects of the opium question, after a complete and careful study of the literature on the general question of opium

[1] American program:

(1) That whereas the reports submitted to the International Opium Commission by the delegations present recognize that opium, its alkaloids, derivatives, and preparations are, or should be, confined to legitimate medical practice:

Be it resolved, therefore, That in the judgment of the International Opium Commission a uniform effort should be made by the countries represented at once or in the near future to confine the use of opium, its alkaloids, derivatives, and preparations to legitimate medical practice in their respective territories; and be it further

Resolved, That in the judgment of the International Opium Commission each Government represented is best able to determine for its own nationals, dependent, or protected peoples, what shall be regarded as legitimate medical practice.

(2) That whereas the reports submitted to the International Opium Commission by the delegations present recognize that, as the result of inadequate knowledge in the past of the baneful effects of the unguarded and indiscriminate use of opium, alkaloids, derivatives, and preparations, there have arisen certain revenue problems which depend upon the production, sale, and use of opium, its alkaloids, derivatives, and preparations; and further, whereas in the judgment of the International Opium Commission these revenue problems remain and will require a certain time for solution.

Be it resolved, therefore, That in the judgment of the International Opium Commission no Government should, as a matter of principle or necessity, continue to depend upon the production of opium, its alkaloids, derivatives, and preparations for an essential part of its revenue; and be it further

Resolved, That in the judgment of the International Opium Commission such revenue problems as exist are not of a nature to baffle the Governments confronted by them; and that they should be settled as soon as possible, to the end that opium, its alkaloids, derivatives, and preparations should be relegated to their proper use in legitimate medical practice.

(3) That whereas the reports submitted to the International Opium Commission by the delegations present state that opium smoking is prohibited to their nationals; further, that some of the reports submitted state that opium smoking is prohibited to protected and dependent peoples of some of the Governments here represented:

Be it resolved, therefore, That in the judgment of the International Opium Commission the principle of the total prohibition of the manufacture, distribution, and use of smoking opium is the right principle to be applied to all people, both nationals and dependent or protected; and that no system for the manufacture, distribution, or use of smoking opium should continue to exist, except for the express purpose and no other of stamping out the evil of opium smoking in the shortest possible time.

(4) That whereas the reports submitted to the International Opium Commission by the delegations present record that each Government has strict laws which are aimed directly or indirectly to prevent the smuggling of opium, its alkaloids, derivatives, and preparations into their respective territories:

Be it resolved, therefore, That in the judgment of the International Opium Commission it is the duty of all countries which continue to produce opium, its alkaloids, derivatives and preparations, to prevent at ports of departure the shipment of opium, and of its alkaloids, derivatives, and preparations, to any country which prohibits the entry of opium or of its alkaloids, derivatives, and preparations.

(5) That whereas the reports submitted to the International Opium Commission by the delegations present indicate that the use of morphia, its salts and derivatives, is indissolubly bound up with the abuse of opium itself, and that their use accompanies, or sooner or later supervenes, on the use of opium itself:

Be it resolved, therefore, That in the judgment of the International Opium Commission strict international agreements are needed to control the trade in, and the present or possible future abuse of, morphia and its salts and derivatives, by the people of the Governments represented in the International Opium Commission.

(6) That whereas the reports submitted to the International Opium Commission by the delegations present indicate that though each Government represented is best able by its national laws to control its own internal problem as regards the manufacture, importation, or abuse of opium, its alkaloids, derivatives, and preparations, yet that no Government represented may by its national laws wholly solve its own opium problem without the conjoint aid of all those Governments concerned in the production and manufacture of opium, its alkaloids, derivatives, and preparations:

Be it resolved, therefore, That in the judgment of the International Opium Commission a concerted effort should be made by the Governments represented in the commission to assist every other Government in the solution of its opium problem.

(7) *Be it resolved,* That in the opinion of the International Opium Commission every nation which effectively prohibits the production of opium and its derivatives in that country except for medical purposes should be free to prohibit the importation into its territories of opium or its derivatives except for medical purposes.

abuse throughout the world, and more particularly after a specific study of the various reports laid before the commission in Pleno, had considered and drawn up a series of resolutions which they hoped might receive, along with others of similar sense, the unanimous approval of the international commission. In considering and drawing up the resolutions, the American delegation had kept in mind the magnitude of the question they were instructed to review, and the relative values of the economic, moral, and international interests of the different Governments represented in the commission, though it was distinctly stated that in spite of the sympathy and interest which the American delegation had for the difficulties, financial and other, they had concluded that the traffic in opium for other than necessary uses could not much longer continue, or there would still loom between the East and West a problem that in its magnitude and potentialities for strife would outstrip the magnitude and forces of the long since happily settled slavery question. It was pointed out that the American people were watching with admiration a repetition of history; that they saw the beginning of a determined, and they hoped a final, effort of Great Britain and others to sacrifice a great revenue to the end that another widespread evil might cease. They showed their appreciation of the effort that Great Britain particularly was making, and the large financial interests it involved; that the American people realized that, as in the slavery question so in the opium question, Great Britain was ready to sacrifice. It was pointed out that the American program was presented more in the shape of a skeleton which it was hoped that the wisdom and thought of the other delegations would be able to clothe.

Without going into particulars as to the debate which led to the modification of the American program, it may be stated that of the final resolutions[1] Nos. 4 and 9 are American and were accepted without material modification; Nos. 2, 3, and 6 were compromise resolutions of the American and British delegations: Nos. 1 and 5 were resolutions introduced by the British delegation and modified at the suggestion of the American delegation; and resolutions 7 and 8 were introduced by the Chinese delegation. Resolution 1 was a very necessary

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[1] The final resolutions, adopted February 26, 1909, were:

Be it resolved:

1. That the International Opium Commission recognizes the unswerving sincerity of the government of China in their efforts to eradicate the production and consumption of opium throughout the Empire; the increasing body of public opinion among their own subjects by which these efforts are being supported; and the real, though unequal, progress already made in a task which is one of the greatest magnitude.

2. That, in view of the action taken by the government of China in suppressing the practice of opium smoking, and by other governments to the same end, the International Opium Commission recommends that each delegation concerned move its own government to take measures for the gradual suppression of the practice of opium smoking in its own territories and possessions, with due regard to the varying circumstances of each country concerned.

3. That the International Opium Commission finds that the use of opium in any form otherwise than for medical purposes is held by almost every participating country to be a matter for prohibition or for careful regulation; and that each country in the administration of its system of regulation purports to be aiming, as opportunity offers, at progressively increasing stringency. In recording these conclusions the International Opium Commission recognizes the wide variations between the conditions prevailing in the different countries, but it would urge on the attention of the governments concerned the desirability of a reexamination of their systems of regulation in the light of the experience of other countries dealing with the same problem.

4. That the International Opium Commission finds that each government represented has strict laws which are aimed directly or indirectly to prevent the smuggling of opium, its alkaloids, derivatives and preparations into their respective territories; in the judgment of the International Opium Commission it is also the duty of all countries to adopt reasonable measures to prevent at ports of departure the shipment of opium, its alkaloids, derivatives and preparations, to any country which prohibits the entry of any opium, its alkaloids, derivatives and preparations.

5. That the International Opium Commission finds that the unrestricted manufacture, sale and distribution of morphine already constitute a grave danger, and that the morphine habit shows signs of spreading; the International Opium Commission, therefore, desires to urge strongly on all governments that it is highly important that drastic measures should be taken by each government in its own territories and possessions to control the manufacture, sale and distribution of this drug, and also of such other derivatives of opium as may appear on scientific enquiry to be liable to similar abuse and productive of like ill effects.

6. That as the International Opium Commission is not constituted in such a manner as to permit the investigation from a scientific point of view of anti-opium remedies and of the properties and effects of opium and its products, but deems such investigation to be of the highest importance, the International Opium Commission desires that each delegation shall recommend this branch of the subject to its own government for such action as that government may think necessary.

7. That the International Opium Commission strongly urges all governments possessing concessions or settlements in China, which have not yet taken effective action toward the

expression of sympathy with China in her fight against the production and consumption of opium. Resolution 2 was a frank recognition of the action taken by the Government of China in suppressing the vice of opium smoking, and of other Governments to the same end, and calls upon the Governments for further action. Resolution 3 in spirit delegates opium to its proper use in medicine, but takes into consideration the difficulties to be encountered by the different Governments in determining what legitimate medical practice may mean. It was recognized by the American delegation that the strict regulations that obtain in western countries could not be made to apply to China and India, where medical education is on a low plane and where most morbid conditions are treated by household remedies, opium being in most common use. But the resolution is a practical condemnation of the illiberal use of opium even in India. Resolution 4 was the most important resolution passed. It recommends for adoption a new principle in international law. In presenting it the American delegation urged that the time had come for opium-producing countries to control the export of their product to countries that prohibit its entry. It was pointed out that in our national pure-food law we had, without pressure from foreign Governments and as a matter of courtesy, placed the same penalties on a shipper of misbranded or adulterated foods and drugs abroad as on shippers in our interstate commerce, and that the time had come for an international recognition of the fact. It was urged, further, that in prohibiting the entry of opium into the Philippines and United States the United States Government was confronted by smuggling operations on a large scale, and that in addition to sacrificing a considerable revenue, especially in the Philippines, it would be necessary to add considerably to the budget for a preventive service, if the prohibitory laws were to be made effective. It is to the great credit of all the delegations present that this principle was accepted without demur. To the British delegation especial appreciation is due, for it was realized in the commission as a whole that the resolution aimed at the export of crude opium from India and of opium manufactured for smoking from Hongkong, the Straits Settlements, and British North Borneo. Resolution 5 aimed at the international control of the manufacture and distribution of morphia. The American delegation, as will be seen by referring to the original American program, had drawn up a strict resolution in regard to morphia; however, it was at once withdrawn as a concession to the British delegation when it was found that they were to submit one of similar purport, except that it applied to China and far eastern countries alone. The British delegation accepted an amendment of the American, making their resolution international in application, and as amended it was passed unanimously. Resolution 8 aims at a striking evil that has supervened on the fight of China against opium smoking, for it was developed in the commission that that country has been flooded with antiopium remedies containing high percentages of morphine and opium and that the cure threatens to become worse than the disease. Chemists of all nationalities in the settlements and concessions in China have manufactured these antiopium remedies by the ton, and the well-meaning but gullible Chinese habitués have given up opium smoking in their favor, few of them realizing that they are taking opium in another form. No doubt many other Chinese who can not stand the odium now attached to opium smoking secure and use these remedies secretly. Resolution 6 must be considered an unfortunate one. It was precipitated by an attempt on the part of the American delegation to have the scientific and medical aspects of the use of opium thoroughly investigated. But the British delegation took the ground that the commission was not constituted in such a manner as to permit the investigation from the scientific point of view of antiopium remedies and of the properties and effects of opium and its products; that, too, in spite of the fact that there were several experts in the commission. It was urged by the American delega-

closing of opium divans in the said concessions and settlements, to take steps to that end, as soon as they may deem it possible, on the lines already adopted by several governments.

8. That the International Opium Commission recommends strongly that each delegation move its government to enter into negotiations with the Chinese government with a view to effective and prompt measures being taken in the various foreign concessions and settlements in China for the prohibition of the trade and manufacture of such anti-opium remedies as contain opium or its derivatives.

9. That the International Opium Commission recommends that each delegation move its government to apply its pharmacy laws to its subjects in the consular districts, concessions and settlements in China.

tion that the time was ripe for a fresh utterance on this side of the opium question; that the royal commission of 1895 had but one medical expert; that his report had colored to a great extent the final judgment of the royal commission; that, on the other hand, that expert's opinion had not proved to be satisfactory to the great majority of scientists who had examined it in detail; and that if one expert was enough for a royal commission two or three should be warrant for action by the international commission. The American delegation was strongly supported in this view by the Japanese, the German, the Chinese, and other delegations; but it was lost by a majority vote of 1. Resolution 7 was necessary as a reminder that the opium dens in the foreign concessions and settlements in China had not all been closed. Some were still open in the French and the international settlements of Shanghai and in the French and Japanese concessions in other parts of China. Resolution 9 calls for the application of the pharmacy laws of western powers to their subjects in the consular districts, concessions, and settlements in China. As matters stand at present it is within the power of anyone calling himself a physician to prescribe opium, morphine, etc., in any quantity he pleases to those who apply to him and has led to a widespread use of the internal administration of opium to combat or displace the smoking habit. Of course it will be recognized that these resolutions were simply declarations based on a study of the opium problem by the commission as a whole and have no force as international law, and will have no force except as they affect public opinion until they are conventionalized in an international pact. Undoubtedly this will be the next and final step in placing the entire production, manufacture, and trade in opium under an international convention. Considering what an inflammable subject the opium questio has been for a hundred years or more, it was remarkable and greatly to the credit of all powers represented that the commission succeeded in achieving results without a display of feeling. The delegations realized their responsibility and that disagreement on the part of the commission would throw the whole subject of opium open to a further emotional discussion. Most happily this was avoided. In calling for thorough reports on the opium question, not only of the Far East but of the entire world, and in placing it on a scientific basis where statesmen may deal with it the opium problem is near its final solution.

Some of the most important points gained by the calling of the commission has been the willingness of China to consult with countries like Persia and Siam on her opium question, though with these countries she has no treaty relations. Again the question has been elevated from the narrow confines of dual agreements and treaties to a plane where every civilized nation may have a voice in its final settlement. One more question is before the world at large for final adjustment. In its broader effects it impressed China—both Government and people—with the fact that the western powers deeply sympathize in her effort to suppress an evil which undoubtedly lies at the bottom of her past inertia. It has shown that the western powers may consult on her territory on a problem which affects her relations to them, act in her interest, and not demand a quid pro quo. It has taught her that an international commission can meet on her territory, interest themselves in her welfare, and break up without demanding a Province or an indemnity. It has done more than the remission of the Boxer indemnity to impress on the Chinese that the American Government and people are sincerely friendly. The remission of the Boxer indemnity appealed to the official and educated classes as a generous act, but no more than was due, while the work of the International Opium Commission and the leadership of the United States in it has penetrated not alone the upper classes but into the humblest hovel in China.[1]

HAMILTON WRIGHT.

[1] The author also desires to add that on looking further into the subject and after rereading Mr. Reed's letter that appeared in the supplement (p. 269) to the July number of the Journal the statements made on p. 641 of the journal (July) in reference to Americans not engaging in the opium trade after the negotiation of the treaty of Wang Hea of 1844 must be modified. It seems certain that the treaty of Wang Hea did not drive Americans from the opium trade. This was largely due to the connivance of Chinese port authorities with the traders. Had the Chinese Government attempted to effectuate the opium article of the treaty of Wang Hea by dealing with American opium traders under its own laws, these traders would not have received either countenance or protection from the United States.

Appendix III.

[Reprinted from the American Journal of International Law for October, 1912, pp. 865–889.]

The International Opium Conference.

(Part I.)

This conference—the latest of The Hague conferences to which the United States was a party—was proposed by the United States on September 1, 1909, and convoked by the Netherlands Government on December 1, 1911. It dealt in a judicial manner with the varied and conflicting interests, diplomatic, moral, humanitarian, and economic, of those Governments represented and with the known similar interests of those not represented. Several of the Governments in making pledges for the obliteration of the opium evil did so in the face of an eventual large financial sacrifice, but this was done thoughtfully and generously.

The conference determined upon, and on January 23 last signed, a convention for the suppression of the obnoxious features of their national and of the international opium, morphine, and cocaine traffics, and for the regulation of that part of the production of and trade in the drugs which may be said to be legitimate. To China was confirmed much that she had contended for for a hundred years or more as to the vexatious export of Indian opium to her shores. This act, however, was but a broader recognition of what the British Government had, as between India and China, already yielded to China by virtue of the so-called 10-year agreement of 1907,[1] and by the modification of that agreement signed at Peking on the 8th of May, 1911.[2]

To the United States is due the credit of having initiated an international and national movement of such wide scope, involving diplomatic and economic interests and difficulties that scarcely anyone foresaw. For in the autumn of 1906 the American Government, after repeated urging, and as the result of a pressure not easy to define, boldly ventured on a solution of the opium problem as seen in the Far East, a venture which has been extended by the cooperation of 12 other powers to a solution of the problem as it affects the world generally.

President Roosevelt and Secretary of State John Hay had held favorable, though judicious, hearings on the subject with many people representing humanitarian, moral, and economic interests; following these Mr. Elihu Root, the then Secretary of State, formulated a plan, the design of which was to bring the Far Eastern opium traffic to an end, it being plain that that traffic was generally regarded as deplorable, as one of the most serious causes of the first Anglo-Chinese war,[3] and of repeated, if not continuous, friction between China and Great Britain, with adverse economic and diplomatic consequences felt by every power having intercourse with the former.

To secure the end sought for, it was essential that the United States obtain the support of those western powers having territorial possessions in the Far East, and of certain of the oriental States, more particularly China and Japan. The United States had become a Far Eastern power in the larger sense through the acquisition of the Philippine Islands, and having maintained a fairly high record of accord with China as to the viciousness of the opium traffic[4] and having attempted, as far as this could be done by national and local legislation, to protect the population of the Philippine Islands from the opium vice,[5] it was in the best diplomatic position to approach the interested Governments.

The cooperation of the major powers having treaty relations with China was early and willingly offered to the United States, but one may suppose not without some misgivings in European chancelleries at the temerity of this Government's venture. From that moment the design of the Department of State broadened and embraced several other Governments directly or indirectly interested in some phase of the problem. By the autumn of 1908, 12 States of Europe and Asia had ranged themselves beside the United States in international brotherhood, and up to the present moment have remained there.

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[1] Vide this Journal, October, 1909, p. 835 (this volume, p. 249 et seq.).
[2] Vide post, p. 276–277.
[3] The so-called Opium War of 1839–1841.
[4] Vide Journal, October, 1909, p. 649 (this volume, p. 237 et seq.).
[5] Vide Journal, October, 1909, p. 670 (this volume, p. 247–248).

Mr. Robert Bacon was Assistant Secretary of State at the time the American Government initiated the international movement for the settlement of the opium problem, and upon him fell the responsibility of the negotiations which led to the assembling of the International Opium Commission. If The Hague conference—with which this paper particularly deals—achieved a decisive result, it was largely due to the broad lines upon which Mr. Bacon encouraged and kept the negotiations for the International Opium Commission, and to the official support and confidence, which later as Secretary of State he accorded to the American representatives on that commission.

The International Opium Conference, composed of delegates with full powers, was a sequel of the International Opium Commission which met at Shanghai, China, February, 1909. That commission was, generally speaking, a commission of inquiry, somewhat conforming in action to such commissions as provided for by The Hague Peace Conference of 1899.[1] What that commission accomplished, both directly and indirectly, was described in the journal for July and October, 1909, and the progress of the movement since the commission adjourned has been outlined in the editorial columns of the journal for April, 1911.

It is the purpose of this paper to continue the narrative of international cooperation to solve the opium and allied problems, and to demonstrate that by the steady, persistent effort of the United States, by a continuity of policy running from the hands of Mr. Root into the hands of Mr. Bacon and Mr. Knox, the world will shortly see the obliteration of the Indo-Chinese opium trade, the release of China from the bonds of her own unnecessary production and vicious consumption of opium, as well as the regulation of the legitimate opium and allied traffics of the nations of the four continents.

As stated above, the International Opium Commission met at Shanghai in February, 1909. Its conclusions that the opium vice should cease and that the illicit morphine traffic must be discontinued, were unanimous.[2] But these conclusions were on their face only moral in effect. Nevertheless they cleared all doubt as to future action, and left it open to the United States to proceed to propose that a conference, composed of delegates with full powers, should meet at The Hague to conventionalize the conclusions of the commission. Therefore on September 1, 1909, the Department of State addressed a circular proposal[3] to the interested governments—that is, to those represented on the International Opium Commission—in which inter alia it was stated that the Government of the United States had learned with satisfaction of the results achieved by the International Opium Commission; that it was the opinion of the leaders of the antiopium movement that much had been accomplished and that both the Government and people of the United States recognized that the results were largely due to the generous spirit in which the representatives of the governments concerned approached the questions submitted to them. The American appreciation of the magnitude of the opium problem and the serious financial interests involved were dwelt upon, and it was pointed out that as the result of inquiries in the Philippine Islands and the United States itself, the opium problem was of great material as well as humanitarian interest to the American people and Government. Mention was then made of the fact that on February 9, 1909, during the sitting of the International Opium Commission, the Congress had passed and the President had approved of an act forbidding the importation of opium into the United States except for medicinal purposes, thus cutting out by a stroke of the pen a previous per annum importation of nearly 200,000 pounds of opium prepared for smoking, used mostly by Chinese residents in the United States, but also of over 150,000 Americans. Continuing, it was stated that the United States was not an opium-producing country, and that to enable it to effectuate the above-mentioned legislation, it was necessary to secure international cooperation and the practical sympathy of opium-producing countries. Further, that although no formal declaration had been made at the International Opium Commission, it was a matter of discussion by the commissioners that however important the commission's conclusions were morally, they would fail to satisfy enlightened public opinion unless by subsequent agreement of the powers they and the minor questions involved in them were incorporated in an international convention. Greatly impressed by the gravity of the opium prob-

[1] International commissions of inquiry recommended by The Hague Peace Conference, 1899, articles 9–14.
[2] Vide resolutions supplement to the Journal, 3:275 (July, 1909).
[3] For. Rel. 1909, pp. 107 et seq.

lem and the desirability of divesting it of local and unwise agitation, as well as the necessity of maintaining it upon a basis of fact, as determined by the Shanghai commission, the United States proposed an international conference to be held at The Hague, and that the delegates thereto should have full powers to conventionalize the resolutions adopted at Shanghai and their necessary consequences. A tentative program, composed of 14 items, was submitted, nearly all of these items becoming a part of the definite program of the conference. They included such items of interest as follows: Effective national laws to control the production, manufacture, and distribution of opium; restriction of the number of ports through which opium might be shipped by opium-producing countries; prevention at the port of departure of the shipment of opium to countries which prohibit or wish to prohibit or control its entry; reciprocal notification of the amount of opium shipped from one country to another; regulation by the universal Postal Union of the transmission of opium through the mails; restriction or control of the production of opium by countries which did not then produce it to compensate for the reduction in production being made in British India and China; the restudy of treaty obligations under which the opium traffic was being conducted; uniform provisions of penal laws concerning offenses against any agreement entered into by the powers in regard to opium production and traffic; uniform marks of identification of opium in international transit; government authorization to be granted to exporters and importers of opium; reciprocal right of search of vessels suspected of carrying contraband opium; measures to prevent the unlawful use of a flag by vessels engaged in the opium traffic; the application of a strict pharmacy law to the nationals of the powers in the consular districts, concessions, and settlements in China; the advisability of an international supervisory commission to be intrusted with the carrying out of any international agreement concluded by the powers.

The proposal of the United States did not attempt to prescribe the scope of the conference or to present a program which might not be varied or enlarged; and finally the powers were asked that a delegate or delegates be appointed, furnished with full powers, to negotiate and conclude an agreement based on the conclusions of the Shanghai commission and other important questions involved in them.[1]

It is to the great credit of 11 of the powers to which this proposal was made that they promptly and heartily responded and offered to continue cooperation with the United States for final international settlement of the opium problem. By the middle of May, 1910, the American proposal had been almost generally accepted and the Netherlands Government had very courteously and quickly offered to assemble the conference at The Hague.

However, one power had regretted its inability to send delegates to the conference,[2] and another had failed to respond definitely to the American proposal by May, 1910, namely, Great Britain. There has been considerable ill-advised criticism of this delay on the part of the British Government, but the delay, as will be shown later, was due not to a want of sympathy or to a determination not to cooperate with the other Governments, but partly because Great Britain was then negotiating a modification of the 10-year agreement made between herself and China in 1907—it being the natural desire of statesmen like Sir Edward Grey and Lord Morley that the opium question as between Great Britain and China should be advanced more nearly to the fulfillment of China's desires before the conference met. In addition to this, the British Government was greatly concerned over the morphine and cocaine traffics; for it had been shown beyond a doubt that immense quantities of these drugs were being smuggled into British India to take the place of opium, also that in China they tended to supplant the use of opium which the British Government had agreed that India should soon cease to export, and the production and use of which China on her part had agreed to suppress. But in September, one year after the American proposal was made, the British Government tendered its cooperation with the American and other Governments, laying down as a condition of its acceptance of the American proposal that the powers should agree before the conference met to study the question of the production of and traffic in morphine and cocaine, and pledge themselves beforehand to the principle of drastic legislation against such production and traffic equally effective

[1] For proposal, vide supplement, p. 258.

[2] Austria-Hungary, which nevertheless expressed a determination to watch the conference with sympathy. (For. Rel. 1910, pp. 307–308.)

with the measures she had taken or proposed to take for the ultimate obliteration of the Indo-Chinese opium trade.[1]

Had the British proposals in regard to the morphine and cocaine traffics not been made, there is little doubt that the conference would have assembled early in 1911, but it was recognized by all concerned that though the British proposals were sound and necessary, they required the grave consideration of several of the Governments whose subjects were heavily interested in the manufacture of and traffic in these drugs. They were particularly important to Germany, as one of the largest producers. Nevertheless, after due consideration, all of the Governments accepted the British proposals, and the date of the assembling of the conference was finally fixed by the Netherlands for December 1, 1911.[2] In the meantime the Italian Government had proposed that the production and traffic in the Indian hemp drugs be included as part of the program of the conference.

It was stated above that the delegates to the International Opium Commission which met at Shanghai in February, 1909, felt on the whole that the conclusions of the commission as embodied in its resolutions would be only moral in their effect unless by subsequent agreement amongst the interested States the resolutions and their necessary consequences were converted to and given the force of international law and agreement. This, too, undoubtedly was the popular estimate of the work of the commission. Soon, however, this conclusion had to be modified, for within a few months from the adjournment of the commission several of the powers more particularly interested gave the resolutions of the commission a binding effect by legislating in accord with them. This was notably true of the British Indian Government, of the Governments of the British self-governing colonies, and of several of the Crown colonies; also of the French colonial governments. These actions were in accord with modern statecraft, which recognizes that moral conclusions unanimously arrived at by an authoritative international body of wide representation have nearly the force of distinct pledges entered into by a conference composed of delegates clothed with the full power of their States.

In former articles dealing with the International Opium Commission there was outlined the opium problem as seen in the home territories and possessions of the Governments represented in the commission, and an account was given of the different measures taken by the different Governments to put new restrictive or prohibitory opium laws into effect before the commission assembled. The same plan will be followed in the present paper.

CHINA.

The first resolution of the Shanghai commission is as follows:

"That the International Opium Commission recognizes the unswerving sincerity of the Government of China in their efforts to eradicate the production and consumption of opium throughout the Empire; the increasing body of public opinion among their own subjects by which these efforts are being supported; and the real, though unequal, progress already made in a task which is one of the greatest magnitude."

It will be noticed at once that, though the commissioners at Shanghai recognized the unswerving sincerity of the Chinese Government in its attempt to suppress the production and use of opium in China, there was prevalent, nevertheless, the feeling that China's effort to this end had been unequal. It may be stated that the commission contained many doubting Thomases who could not believe in the ability of the Chinese Government to accomplish the task to which it had set itself or to fulfill its part of the so-called 10-year agreement of 1907. There were a few, however, who believed that the Chinese Government and people had at last been aroused to the truth, that the individual Chinese, as well as his Government, could not command the entire respect of those powers having treaty relations with China until China had shown a capacity to secure the great moral and economic reform in view. It had become only too obvious that China's inertia both at home and abroad was due to the poppy, and that if she had been unsuccessful in some of her dealings with the western powers it was not because of any superiority of intelligence on the part of the representatives of those powers so much as the inability of a num-

[1] For. Rel. 1910, pp. 312–313.

[2] For. Rel. 1911, p. 56.

ber of Chinese metropolitan and provincial officials to efficiently transact business and perform their duties after emerging from an atmosphere of opium smoke.

At the International Opium Commission the Chinese representatives made a strenuous effort to bring under discussion and secure a modification of the 10-year agreement between China and Great Britain such as would be more in accord with and more helpful to the Chinese Government in the task before it. There can be no doubt that the strong men at Peking and in the Provinces were in hearty sympathy with the efforts of their representatives in the commission, for the commission had no sooner adjourned than the Peking Government renewed its efforts to secure a modification of the 10-year agreement. The attitude of the British Government was not unsympathetic, for the world at large had had it from Lord Morley,[1] who was then at the head of the India office, that Great Britain would meet China more than halfway in the event of her showing a determination and capacity to suppress what was now being generally recognized as the great economic as well as moral obstacle to the advance of the Chinese Government and people. Quite naturally, however, the British Government was loath to make further concessions to China in regard to the Indo-Chinese opium traffic until China had demonstrated beyond peradventure of a doubt her capacity to fulfill her part of a solemn engagement.

China was determined to show the world her latent energy. To this end the authorities at Peking, encouraged by the proposal for an international conference made by the United States, and aided by energetic, enlightened, and faithful viceroys in the Provinces, renewed their efforts to suppress the cultivation of the poppy and the use of opium in the Empire, expecting thereby to secure from Great Britain terms as to the Indian opium trade which would be more helpful. In this they were successful, as will be presently shown.

During the months from the end of February, 1909, to the spring of 1911, there were varying and sometimes contradictory reports from many observers as to what the Chinese Government and people were accomplishing toward the suppression of the production of opium and its abuse in the Empire. To those who were watching the situation closely it was seen that decided progress was being made, and that China was more than carrying out her part of the terms of the 10-year agreement.

China is so vast a country, with so great a population and such varying local conditions that it would be quite impossible to give in this paper in detail the methods adopted and the results attained by the central and provincial authorities in achieving her reform,[2] so that a statement of the case must be based on memoranda compiled from many sources by one of the highest authorities on the question, Mr. Charles D. Tenney, Chinese secretary of the American Legation at Peking, and one of the commissioners for the United States at the International Opium Commission.

Mr. Tenney's conclusions follow:

"It is now possible to make a general statement in regard to the progress of the crusade against the growth of the poppy and the production and use of opium in the Chinese Empire. By the agreement with Great Britain in 1907—the so-called 10-year agreement—China undertook to suppress the growth of the poppy within a period of 10 years, by gradual reduction, and Great Britain agreed, on her part, to reduce the amount of opium exported from India to all countries by one-tenth annually; this agreement was to continue only if after three years China was able to show that she had lived up to her part of the program.[3] A great moral awakening had occurred in China before this agreement was entered upon. Upon the conclusion of the agreement a remarkable impetus was given to the movement both in Government circles and amongst the scholars and gentry throughout the Chinese Empire, and there arose a general determination to suppress entirely and at once the production of native opium without reference to the 10-year agreement. The difficulty of dealing with this question in so vast an area as that of the Chinese Empire and through a body of subordinate officials, many of whom are corrupt, must be evident, and the results that have been obtained, though somewhat uneven, are in the aggregate surprising and most gratifying. The evidence of both Chinese and other observers is conclusive that the growth of the poppy has been practically sup-

[1] Vide Journal, October, 1909, p. 847.
[2] For the important beginnings, vide Edicts, etc., Journal, October, 1909, pp. 828–842.
[3] For agreement, vide Journal, October, 1909, p. 835.

pressed in the Provinces of Manchuria, Chihli, Shantung, and all the other central and southern Provinces of the Empire. In all this part of China other crops have taken the place of the poppy. The latter, if found, is only in small patches in remote and secluded places. Shansi, Szechuan, and Yunnan were the three Provinces largely given up to the poppy culture before the new awakening. But, on the evidence of many observers, practically no poppy has been planted in them this year, and very little was grown last year. There are of course remote spots where the prohibition of cultivation has not been made effective. A consequence of effective prohibition, and diminution in the supply of opium has caused the price of the drug to advance until it is worth four or five times its normal price, so that the temptation to grow the poppy is strong. This, however, has caused no general relaxation of the prohibitory movement. Up to last year the reports from the two northwest Provinces, Shansi and Kansu, were less favorable than from other parts of the Empire. The attention of the Central Government being called, stringent orders were issued that these Provinces should fall in line with the rest of the Empire. Such reports as are now available indicate that prohibition is generally effective in that region also. In view of the present conditions, it would seem probable that if China enjoyed full sovereign rights as to the control of the importation of foreign or Indian opium, the opium evil might be thoroughly stamped out of the Empire in a very short time. So much for the cultivation of the poppy and the production of opium. The present situation in regard to the use of opium is that wealthy Chinese victims of the habit continue to smoke in private, while the poor have been obliged to give it up on account of the high price of the drug and the difficulty of obtaining it. It is gratifying to be able to state that public opium-smoking shops have largely disappeared from Chinese towns, and that the use of opium is no longer fashionable; the habit, when indulged in, is kept as secret as possible. Wonder has been shown that the Central Government which, seemingly so weak on other lines, has been able to make so marked a showing in carrying out the opium reform. The explanation is that the conscience of the country has been awakened, so that the arbitrary measures taken by officials in many localities against those who have tried to produce opium for the pecuniary profits of the trade, have been supported by general public opinion and by the most influential members of society. It would seem that international justice now demands that China should be allowed to strike off opium from the list of her legalized imports, so that the Government may have full control of the situation and be able to carry to a conclusion the reform so well commenced unhindered by vexatious agreements with other powers."

This is a review of the situation up to June, 1910.

Another close observer of the Chinese opium reform may be quoted, namely, Sir Alexander Hosie, most learned in Chinese affairs, and one of the commissioners on the part of Great Britain to the International Opium Commission.

Sir Alexander's report was made on behalf of his Government, for the final determination as to whether or not China had carried out her part in the tentative period of three years of the ten-year agreement. There was little credible doubt as to what would be the conclusion. On June 15, 1911, the British foreign office published an official White Paper containing Sir Alexander Hosie's observations. It had been estimated by friendly observers of the opium reform that China had reduced her home production of the drug from 60 to 75 per cent during the three years following the issue of the antiopium edict in the autumn of 1906. The Hosie report applying only to the five Provinces of Shansi, Shensi, Hansu, Yunnan, and Szechuan—the most important being the latter which used to produce nearly half the opium grown in China—nearly confirms this estimate.

Sir Alexander Hosie's report on these five Provinces is, in brief, as follows:

"*Shansi.*—There is reason to believe that the poppy has ceased to be cultivated in this Province for the last two years.

"*Shensi.*—I have not the least hesitation * * * in saying that so far as my personal observations extended, the official claim that there has been a diminution in the cultivation of from 60 to 80 per cent is excessive. It may be as much as 30 per cent, but it is certainly much under 50 per cent.

"*Kansu.*—From what I have seen and heard, the conclusion which I have arrived at in regard to Kansu is that on the whole there has been a reduction in cultivation, and that reduction amounts to something under 25 per cent."

These three Provinces, however, are of relatively minor importance from the point of view of opium cultivation. In the Province of Shansi, for instance, the

production of opium, even on the highest estimate, never exceeded 30,000 piculs (piculs=133⅓ pounds avoirdupois). But formerly the situation was entirely different in the Province of Szechuan and that of Yunnan. The former was for many years the greatest opium-producing Province in China—the production exceeding 200,000 piculs per annum, and Yunnan always ranked next to Szechuan in point of quantity, and first throughout the Empire in point of quality of its opium. The conclusion arrived at by Sir Alexander Hosie in regard to these Provinces may be stated in his own words:

"*Szechuan.*—As the result of my own personal investigation, extending over 34 days' travel overland, and of the testimony of others, I am satisfied that poppy cultivation has * * * been suppressed in Szechuan.

"*Yunnan.*—Taking the Province of Yunnan as a whole * * * it may, I think, be fairly assumed that the estimated production of 60,000 piculs prior to the introduction of the measures is correct. The suppression has been very materially reduced, and I venture to hazard the opinion that the output of 1910 and 1911 will not exceed 15,000 piculs. In other words, that there has been a reduction of about 75 per cent."

Commenting on Sir Alexander Hosie's report, the London Daily News, from which the foregoing statement is taken, said: "To appreciate the extent of the miracle (i. e., opium suppression in China) one must resort to analogy. It is as if the tobacco habit had come to an end in Europe a few years after decision to that effect by The Hague conference."

To accomplish this result the Chinese Government had issued numerous edicts and many regulations to be enforced by the central and provincial authorities. It is impossible to record all of these, but as an evidence of the thoroughgoing manner and of the high spirit which has animated the major and minor officials of China, attention may be called to the regulations adopted by the official antiopium commissioners shortly after the adjournment of the international opium commission. By these regulations it is provided that Princes Kung and Pu Wai are appointed antiopium commissioners to revise the regulations for suppressing the practice of opium smoking among the metropolitan and other officials and those who are in government service in the various yamens. They make it the duty of superior authorities to detect opium smokers among their underlings and subordinates, and those who have already given up the vice; to keep track of the latter class and deposit their certificates as to being non-smokers in the antiopium bureau for inspection and examination, lest they impose upon their superiors. Commissioners are appointed as inspectors of opium smoking, whose sole duty it is to go about China inspecting and detecting with diligence and care those who are still deep in the opium-smoking habit, and those who are ingenious in concealing their vice, it having been discovered that there were many Chinese officials who having abandoned the opium-smoking habit fell into the vice again. It is further provided that should the latter class be detected in this offense they shall not only be cashiered but never be reinstated in their official rank. Moreover, no official post is to be given them by any provincial authorities. And then follow the 10 regulations providing for the suppression of the opium-smoking vice amongst officials.[1]

The above-mentioned regulations apply more particularly to officials, but many antiopium ordinances have been issued which apply to the people at large, one of the most recent being a part of the new criminal code for China, promulgated January, 1911. This ordinance not only prohibits and proscribes the cultivation of the poppy and the use of opium but the possession of instruments and apparatus used in connection with opium. In short, to prohibit anything and everything which tends to aid in or encourage the use of opium.[2]

Therefore, the Chinese Government having satisfied the British Government not only as to its willingness but also as to its ability to suppress the production and use of opium,[3] chiefly as the result of Sir Alexander Hosie's report, the two Governments entered into a new agreement on May 8, 1911, the essentials of which follow:

1. The British Government recognizing the sincerity of the Chinese Government and their pronounced success in diminishing the producton of opium in China during the three years from January 1, 1908, expressed their willingness

[1] For the full t ext of the regulations, vide supplement, p. 266 (this volume, pp. 250–254).

[2] Vide supplement, p. 273.

[3] For a Chinese estimate of the suppression of opium since 1906, vide table, supplement, p. 276.

to continue the arrangement for the unexpired period of seven years on the following conditions:

2. From the 1st of January, 1911, China shall diminish annually for seven years the production of opium in China in the same proportion as the annual export from India is diminished until the total extinction of the Chinese production in 1917.

3. The Chinese Government having adopted a most rigorous policy for prohibiting the production and the transport of native opium produced in China, the British Government expressed their agreement with this policy and their willingness to give every assistance. With a view to facilitating the continuance of this work His Majesty's Government agree that the export of opium from India to China shall cease in less than seven years if clear proof is given to the complete suppression of the production of native opium in China.

4. His Majesty's Government also agreed that Indian opium shall not be conveyed into any Province of China which can establish by clear evidence that it has effectively suppressed the cultivation and import of native opium produced in China.

5. During the period of the new agreement China shall permit His Majesty's Government to obtain continuous evidence of the diminution of production of native opium by local inquiries and investigation conducted by one or more British officials, accompanied—if the Chinese Government so desire—by a Chinese official. The decision of these inspectors as to the extent of the production of native opium in China is to be accepted by both parties to the agreement.

6. By the arrangement of 1907 the British Government agreed to permit China to dispatch an official to India to watch the opium sales, on condition that such official would have no power of interference. His Majesty's Government now agree that the official so dispatched may be present at the packing, as well as at the sale, of opium on the same conditions.

7. The Chinese Government undertakes to levy a uniform tax on all opium produced in the Chinese Empire, while the British Government consents to the increase in the present import duty on Indian opium to taels 350 per chest of 100 catties, such increase to take effect as soon as the Chinese Government levy an equivalent excise tax on all native opium.

8. With a view to assisting China in the suppression of opium the British Government undertakes that from the year 1911 the Government of India will issue an export permit with a consecutive number for each chest of Indian opium declared for shipment to or for consumption in China. During the year 1911 the number of permits so issued are not to exceed 30,000, and shall be progressively reduced annually by 5,100 during the remaining six years ending 1917. His Majesty's Government undertakes that each chest of opium for which such permit has been granted shall be sealed by an official deputed by the Indian Government in the presence of the Chinese official, if so requested.

9. Both parties agree that should it appear on subsequent experience desirable at any time during the unexpired portion of seven years to modify the agreement, or any part thereof, it may be revised by mutual consent.

The agreement of 1911 has an annex providing for the release into China of some thousands of chests of opium held by traders. But the number of these chests are to be deducted from the annual exportation of 5,100 from India, the chests permitted by the agreement of 1907 and by the later agreement.[1]

The agreement of 1907 between Great Britain and China and the modification of that agreement of May 8, 1911, just outlined, is perhaps the finest example of the comity of nations recorded in modern times. After a controversy sustained for over 100 years both parties to the Indo-Chinese opium trade have now determined upon its gradual and effective suppression, and one of them—China—has agreed, and has so far most effectively carried out the agreement, to suppress an internal production of opium seven times greater than the foreign traffic in the drug.

When the International Opium Conference assembled at The Hague on the 1st of last December representatives of the British and Chinese Governments were at last able to look one another in the face and without reserve show the representatives of the other Governments that a great reconciliation had taken place.[2]

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[1] For full text of the agreement, vide supplement to this Journal for October, 1911, p. 238.

[2] The negotiator in chief of the later agreement on behalf of the British Government was Mr. Max Müller, at one time counselor of embassy at Washington. Mr. Müller was a British representative at The Hague conference.

The Manchus have gone, but not before their distinguished representative at the conference[1] had signed on their behalf the international opium convention, which confirms to China on the part of the other treaty powers all that was conceded to her by Great Britain by virtue of the agreement of May 8, 1911. It was under Manchu sway that the Indo-Chinese opium traffic and the vice of opium smoking first seriously appeared in the empire.[2] The early emperors of that dynasty fought against the traffic and its consequences in vain. Under the weakest of the later emperors of this house the Indo-Chinese opium traffic grew to enormous proportions and the opium-smoking vice took an apparently unrelenting hold of the Chinese people. The traffic became legalized by the Tientsin treaties, and the internal production of opium in China was given free rein. The Manchus were not to depart ingloriously, however, for there was the old Buddha who came to recognize the economic and moral degradation that was attendant on the opium vice. In the latter years of her reign there was a revival by her ministers of the old contest against the Indo-Chinese opium trade and the opium vice in China. The old Buddha died on the eve of the assembling of the International Opium Commission. Under her successors and the statesmen who served them the latest great acts of the contest were accomplished by the signing of the Anglo-Chinese agreement of last year and of the international opium convention of January 23.

GREAT BRITAIN.

Since the adjournment of the International Opium Commission Great Britain has set a splendid example in the putting of an end to the unnecessary production, traffic in, and use of opium and other narcotics. Her recent agreement with China in regard to the Indo-Chinese opium traffic has been mentioned at length, but in addition to that special agreement other actions have been taken by the London and the colonial governments which are of international significance.

For instance, the International Opium Commission had no sooner dispersed than the Crown colony of Hongkong adopted the principle of resolution 4 of that commission,[3] and immediately prohibited the export of opium to countries prohibiting its entry, while in the summer of 1911 Sir Edward Grey informed the interested Governments that India would, quite independently of the prospective conference, forbid the exportation of opium to countries which prohibited or desired to prohibit its entry. Moreover the antinarcotic laws of Great Britain were strengthened, and a compulsory declaration of all importations and exportations of morphine and cocaine was put in force.

In the Crown colonies of Wei-hai-wei and Ceylon, where the number of opium consumers is small and the population more or less stable, it was found possible to institute a system for the registration of smokers of opium which is to be used for the gradual obliteration of opium consumption, whereas in Hongkong and the Malay Peninsula, where the Chinese population fluctuates and fresh immigrants are constantly arriving, the registration was not found to be practicable. As an illustration of what has been done in these Crown colonies, Ceylon and Hongkong may be taken as illustrations.

The situation in Ceylon was somewhat peculiar. Besides those persons who were habitual consumers of opium, the vederalas, or native doctors, who are trained in the traditional Ceylonese system of medicine, habitually used opium in their prescriptions. Some difficulty therefore, was encountered in the settlement of the question of what persons professing to be vederalas had any claim to knowledge of ancient medical tradition. The matter was, however, decided by careful inquiry, and those persons who were found to be qualified vederalas were registered, and are now entitled to use opium in treating their patients.

An ordinance which came into force on the 1st of October, 1910, regulates the general opium traffic. The right of importing opium, whether raw or prepared, is vested solely in the Government, and is delegated to the principal medical officer who has charge of the distribution of the drug. Opium for purely medicinal purposes may be supplied by the principal civil medical officer to qualified medical men and veterinary surgeons and to registered vederalas. It can only be supplied to other persons on their registration as habitual consumers.

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[1] Sir Chen Tung Liang Cheng, former Chinese Minister at Washington.
[2] See edict of the receiver general of the customs at Canton, supplement, p. 264.
[3] Vide supplement July, 1909, p. 276. (In this volume see p. 66, footnote.)

No person may be registered except on production of satisfactory evidence that at the time when the ordinance was passed he was an habitual consumer, together with evidence of the amount of opium which he was accustomed to consume and the manner and form of consumption. Thus, the opium consumers in Ceylon are at the present moment a definite number, to which additions can not be made. The use of the drug, except for medicinal purposes, must therefore disappear in the course of time. Further precautions against undue use of the drug are taken by limiting the annual amount allowed to a registered consumer or vederala to 8 ounces. The importation, possession, or sale of opium except by the authorized officer—the principal civil medical officer—and for the purposes described above is illegal.

In Hongkong it has not been found practicable to take the monopoly of the importation, preparation, and sale of opium into Government hands, but since the adjournment of the International Opium Commission restrictions on the traffic have been made by the limitation of the farmer to a certain number of chests per annum—800 in 1911—by the suppression of the opium divans and by forbidding the sale of prepared opium to any person other than an adult male. The preparation and sale of opium is vested in the farmer, and raw opium can only be imported by him or by a person possessing a permit signed by a Government officer and countersigned by the farmer. By resolution of the legislative council which came into force on the 1st of September, 1911, the importation of any kind of raw Indian opium is forbidden unless covered by export permits from the Government of India to the effect that it has been declared for shipment to or consumption in China. This resolution does not apply to opium imported by or for the use of the farmer. The resolution of the legislative council just referred to was made to effectuate article 8 of the Indo-Chinese agreement of May 8, 1911. Hongkong has gone further and has forbidden the exportation of prepared opium or of dross opium—that is, a preparation of opium in which the residue of opium which has been smoked forms the main ingredient—to China, French Indo-China, the United States, the Philippine Islands, the Netherlands, Indies, Siam, and Japan, while the exportation of opium to those places which permit its importation can only be carried out with the written permission of the superintendent of imports and exports.

The British self-governing colonies have not lagged in the forward movement set by the mother country and its Crown colonies. The Government of New Zealand, which had prohibited by law the importation of opium in any form suitable for smoking, added a further restriction by statute No. 30, of 1910, which enacts that opium in any form which, though not suitable for smoking, may yet be made suitable, may only be imported by permit issued by the minister of customs.

Canadian legislation of 1908 declared the importation, manufacture, sale, or possession for sale of opium for other than medicinal purposes or of opium prepared for smoking to be an indictable offense. By act No. 17, of 1911, the law as to opium, cocaine, morphine, etc., is made more stringent. The importation, manufacture, sale, possession or offering for sale or traffic in Canada in these drugs, except for scientific or medicinal purposes, is a criminal offense. The smoking of opium, the possession of opium prepared or in preparation for smoking, and frequenting of opium dens are criminal offenses, while the exportation, without lawful excuse, of any of the drugs to any country which prohibits their entry is punishable by a fine or imprisonment, or both.

It may be stated that the author of the admirable Canadian law was the Hon Mackenzie King, Minister of Labor in the late Liberal cabinet. As a profound student of labor conditions in the Far East, as well as in Europe and America, he has lent the whole weight of his authority and knowledge to the suppression of the opium vice in Canada, and the law for which he was responsible was in part designed to enable the United States to protect its northern border from smuggled opium. It is an excellent example of the assistance which Canada and the United States may render each other in a great moral and economic cause, but which so far in this case has only been rendered by Canada.

The Governments of Australia and the Transvaal have strengthened laws which were in existence four years ago, and by these laws the use of opium and allied drugs, except for medicinal purposes, has been reduced to a minimum.

It has been stated above that the British Government laid particular emphasis on the morphine and cocaine questions on accepting the American proposal for an International Opium Conference. This emphasis was based on the neces-

sity of the situation and on action which had been taken in British oriental possessions to prevent the opium habit being substituted by the morphine and cocaine habits. There were previous restrictions on the importation and sale of morphine and cocaine in the eastern colonies and protected States, but since the meeting of the International Opium Commission the legislation on the subject has been amended so as to impose greater restrictions, and it may be said that the morphine and cocaine laws of the eastern Crown colonies and protected States are noteworthy examples of restrictive legislation and will become wholly effective when the sources of supply of these drugs in Germany, France, Great Britain, and the United States are under efficient control, as provided for in the International Opium Convention.

The British Government was not only concerned about the morphine traffic from Europe to its own colonies and possessions, but also to China, where the use of this drug and cocaine threatened to supplant opium. A quotation from the address of the Hon. Murray Stuart, of the Hongkong Government, is of interest in this connection. On October 29, 1910, Mr. Stuart pointed out that two years before public attention had been drawn very emphatically to the increased consumption of morphia in China, although the Chinese customs statistics seemed to prove the contrary. For, whereas they showed in 1902 an import of morphia into China of 195 and odd pounds, only 120 ounces were shown for 1904. Yet everybody knew that during the six previous years the increase in the consumption of morphia in China had been truly enormous. Morphia was being smuggled into China under some other name. When the antiopium movement in China reached the stage at which the Chinese Government threatened all opium smokers with heavy fines and penalties if they persisted in continuing the habit, there arose throughout the land a demand for an opium cure. An antiopium pill made its appearance on the market, and an enormous demand for this antidote set in. But the cure proved to be simply another form of taking the drug. These pills, on being subjected to analysis, were found to contain an antidotal drug, no stimulant or scientific ingredients, but simply morphia made into a tabloid with ordinary household flour. Some time before Mr. Stuart had asked the legislative council for information as to the amount of morphine and compounds of opium imported into Hongkong. The answer given by the Government was that between the first of March and 30th of September, 1910, over 7,000 pounds of morphine were imported into the colony, the whole amount being shipped from London. It was very easy for Mr. Stuart to point out that, with a great show of virtue, the London Government had insisted on the colony marching in line with China in the suppression of opium smoking to the extent of a large sacrifice of public revenue, and all the while the export of opium from England to China in the more deadly form, morphine, was permitted to flourish and increase, and he asked the council to pass a resolution humbly praying the secretary of state for the colonies to lay before the Parliament the propriety of assisting the government of Hongkong in its endeavors to discourage the opium vice in its most injurious form by restricting the export from England of the means—morphia—of gratifying it. On a later page it will be shown that the International Opium Convention contains the means whereby the exportation of morphine in unnecessary quantities will be brought to a stop.

In British India official opinion still leans to the view that opium eating is on the whole not injurious to those members of the Indian population who practice it. The vast majority of medical men hold the contrary view; but it will be some time before that view prevails. Meantime the Indian Government is strengthening its laws so as to confine the habit and keep it in channels which they regard as legitimate. But the considerations which have caused the Government of India to regard a certain amount of opium eating as legitimate in present circumstances do not apply to the smoking habit, which has never taken root in the country, and is strongly condemned by public opinion. The Indian Government have therefore endeavored for a good many years past to reduce it to a minimum by repressive action. Thus, while some 20 years ago there were some 600 shops for the sale of smoking preparations, the sale of such preparations was subsequently and still remains absolutely prohibited. Vigorous measures are enforced by the police and the excise preventive service for punishing infractions of the law, such as are occasionally attempted in large and metropolitan centers like Calcutta and Rangoon.

It will be seen from what has been stated under this heading that Great Britain had not only acted on the results of the International Opium Commis-

sion up to the time The Hague Conference assembled, but was prepared to go to the fullest extent in cooperation with the other governments to make the conclusions of that commission effective.

ITALY.

Italy is one of those happy countries in which the opium vice in any form does not exist, and despite the fact that the Italian Government has little material interest in the opium question, it has nevertheless continued to cooperate with the other Governments in the international phases of the question.

GERMANY.

The German Imperial and State laws in regard to opium and its allies are all that can be desired, and are effectively enforced. This may also be said of the German colonies and protectorates. In Kiaochou, on the China coast, steps have been taken which mark the sincere desire of the German Government to cooperate with the Chinese in stamping out the opium vice. But to Germany the morphine and cocaine questions are serious, not because of any abuse of these drugs in German territory, but because of the large financial investment in their manufacture. When the British proposals in regard to morphine and cocaine were made to the United States it was thought that the large German interest in the manufacture and export of these drugs would interfere to prevent German cooperation with the United States for their control. But this proved to be unwise thinking, and it will be shown later that Germany, by virtue of the International Opium Convention, stands ready with the other powers to solve this problem, even at considerable financial sacrifice on the part of her manufacturers and exporters.

HOLLAND.

The immediate concern of the Netherlands Government in opium is that a considerable revenue is derived by the Netherlands Indies Government from the importation, manufacture, and distribution of opium for smoking purposes; but it has been the high endeavor of both the home Government and the Governments of the East Indian islands to ultimately abolish the pernicious habit amongst the natives. Since the adjournment of the International Opium Commission, many ordinances have been passed by the Batavia Government aimed to extend Government control over the habit of opium smoking, and this has so far succeeded that the Netherlands Government and people look forward to the obliteration of the habit in the near future. No doubt there will be many difficulties to meet, as the net revenue from the opium régie last year was in the neighborhood of 18,000,000 florins. But that this revenue will shortly be abandoned in favor of a more legitimate revenue is clearly evidenced by the hearty cooperation which has been extended by the Netherlands to the United States in its endeavor to secure international agreement on the opium problem.

PERSIA.

Of Persia it may be said, in addition to what was stated on page 664 of the Journal for July, 1909, that early in 1911 the Persian Government enacted legislation aimed to abolish opium smoking and other misuses of opium in Persia.

PORTUGAL.

Although in Portugal itself there is no abuse of opium, its colony of Macao on the China coast still continues to import large quantities of the drug and manufacture it into smoking opium, which is used locally, or exported for revenue purposes. This opium, however, has been practically outlawed by every country a party to the International Opium Convention, and by the provisions of that convention the trade should be speedily ended.

RUSSIA AND JAPAN.

Russia fortunately has no opium problem, nor has Japan, except in the island of Formosa, where an opium régie exists for the avowed purpose of finally suppressing the opium vice.

SIAM.

Although no opium is produced in Siam, large quantities are imported and manufactured into smoking opium under a system of Government monopoly for the use of Chinese resident in that country. But it is the purpose of the Siamese Government to gradually extinguish the vice, and ordinances aimed to this end have been passed since the adjournment of the International Opium Commission. The Siamese Government also purposes legislation for the control by the Siamese Government over the amount of morphine and cocaine which may be imported, and the rendering of account by sellers showing that they have disposed of their supplies in a legitimate manner.

FRANCE.

Since the adjournment of the International Opium Commission, French public opinion has been aroused on the question of the abuse of opium and morphine in the large seaports of that country, and the Government is making strong efforts to root out the evil. In French Indo-China the Government has control. It has taken strong measures to bring to an end the abuse of opium in the colonies, and it is earnestly believed that in a short time the abuse of opium will be reduced to a minimum. Further, the French Indo-Chinese Government has forbidden the exportation of opium prepared for smoking to those countries which prohibit its entry.

Upon the above summaries, it may be repeated that the resolutions of the International Opium Commission were more than moral in their effect. They created sufficient energy to enable the Governments concerned to enact practical, effective legislation. The United States is the exception, as will be shown later. With these preliminaries we may now pass to the International Opium Conference and its results.

HAMILTON WRIGHT.

NOTE. Appendix IV, which here follows, consists of a few introductory and concluding words accompanying the text of the report made to the Department of State on May 15, 1912, by the delegates to the First International Opium Conference (see For. Rel. 1912, pp. 207–221) with the omission of the digression in the report (For. Rel. 1912, pp. 216–217), concerning the British-Chinese agreements of 1907 and 1911.

NOTE. On September 1, 1913, the Netherlands Minister notified the Department that the Opium Convention had been signed on June 25, 1913, by Great Britain in behalf of the Commonwealth of Australia; by Chile on July 2, 1913; by Nicaragua July 18, 1913; and by Peru July 24, 1913; and that the Governments of Denmark and Siam had deposited their acts of ratification of the convention. (File No. 511.4A1/1422.)

The same Minister delivered to the Department on September 22, 1913, a certified copy of the Protocol de Cloture of the Second International Opium Conference; and on October 12, 1913, he delivered copies of the Proceedings of that conference. (File Nos. 511.4A1/1429 and 1438.)

On November 29, 1913, the Netherlands Minister notified the Department that the Opium Convention had been signed on August 27, 1913, by Sweden with the following reservation: "Opium not being prepared in Sweden, the Swedish Government will for the present content itself with prohibiting the importation of prepared opium, but at the same time declares itself ready to take the measures set

forth in article 8 of the Convention if experience demonstrates the advisability thereof." Also that the Convention had been signed by Norway on September 2, 1913; and ratified by Denmark, Siam, Guatemala, Honduras and Venezuela. (File No. 511.4A1/1437.)

In the same communication the Minister gave notice that the Convention had not yet been signed by Austria-Hungary, Bulgaria, Montenegro, Roumania, Servia, Greece, Switzerland, Turkey nor Uruguay.

File No. 511.4A1/1438.

The American Minister to the Secretary of State.

No. 16.] AMERICAN LEGATION,
The Hague, December 10, 1913.

SIR: I have the honor to report that I have received the instrument of ratification of the Convention for the suppression of the use of opium and other deleterious drugs signed at The Hague on January 23, 1912, referred to in the Department's instruction No. 7 of the 25th ultimo,[1] and that I have this day deposited this instrument of ratification with the Government of The Netherlands.

I have [etc.]

HENRY VAN DYKE.

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[1] Not printed.

COLOMBIA.

RELATIONS OF THE UNITED STATES WITH COLUMBIA.[1]

File No. 711.21/64.

The Minister of Colombia to the Secretary of State.

[Translation.]

No. 10.] LEGATION OF COLOMBIA,
Washington, November 25, 1911.

MR. SECRETARY: The necessity, which in the opinion of the Government of Colombia still exists, of settling as soon as possible in a just and honorable way the claims it has made and with untiring insistence maintained, resulting from the attitude and conduct of the Government of the United States with respect to the separatist movement of the Colombian Department of Panama in 1903, and the experience of recent years having demonstrated the utter unlikelihood of such a result being attained by means of a direct agreement, the Government of Colombia believes and has directed me so to declare to your excellency, that the time has come to urge anew upon the Government of the United States that—abandoning a course notoriously ineffective and adopting the one that the present administration of this country amid general applause advocates with so much zeal and success for the termination of all controversies of an international character—it assent to entering with us into a simple convention or treaty of arbitration under which the differences herein referred to shall be unappealably adjudicated, thus bringing to an end the present anomalous state of the relations between the two countries and placing them for the future and to their material honor and profit on a footing of the most sincere cordiality not only in their political but also in their commercial and economic aspects.

The outcome of the attempt that was made to regulate the situation by means of a direct agreement embodied in the treaties of 1909 was in truth most unfortunate. Let it be enough to say that it was on the point of causing a serious disturbance of public order in Colombia which was arrested only by the Government's withdrawing the treaties from the consideration of the National Assembly, whose debates on the question, even though they lacked a genuine popular origin, did voice the prevalent sentiment of the country and brought about a change in the personnel of the administration and the voluntary and hasty expatriation of the head of the Government. The Colombian plenipotentiary who signed those conventions had to keep out of the country thereafter and not until a few months ago did he think it safe, after failing in a previous attempt, to return.

The present Chief of the nation, without having to analyze the cause of the sentiment that is now practically unanimous, must, as

[1] Continued from For. Rel. 1911, p. 88.

the faithful representative of an honorable democracy, respect it and look to it in his decisions: a course the more sensible and praiseworthy the more evident it becomes, to all who are familiar with the antecedents of the case, that the sentiment is swayed by noble aspirations after justice which soar high above consideration of mere material advantages, evidence of which is found, despite the assertion of persons bent on injuring Colombia and the lack of authentic and bona fide information, in the fact that, neither at the time of the discussion and rejection of the Treaty of 1903 by the Colombian Senate nor when that of 1909 was discussed in the National Assembly without coming to a vote, could there be heard in committees, reports or debates any allusion worth mentioning to the pecuniary compensations which in both cases were stipulated in Colombia's favor. The public statement recently made by the citizen who was the Chief Executive of the United States at the time of the secessionist revolution of Panama that he took a part of the territory of the friendly nation, failing in the performance of this act of war to observe even the constitutional requirement of previously referring the case to the Congress of his country, will have proved the least likely to allay that sentiment.

It having been demonstrated in practice that the desired settlement of the existing difference cannot be reached by direct agreement, my Government does not perceive the absence in this case of any of the circumstances which suggest, or rather impose, as between nations that have been bound during the greater part of their existence by the ties of traditional friendship, the expediency of resorting to the decision of an impartial tribunal as being the civilized and effective means par excellence of settling their disputes.

It is well known that those pending between the United States and the Republic of Colombia substantially grow out of the diverse interpretation put by each country upon certain stipulations of the treaty signed by their representatives in 1846. According to the Colombian Government's judgment—which seems also to prevail in the public opinion of the United States if the statements of the press are to be taken as a criterion—the conduct of the Government of the United States toward Colombia in regard to the separatist movement of Panama in 1903 and the proclamation of the independence of that Colombian department under the name of Republic of Panama, was not that which was clearly dictated by the specific obligations solemnly assumed under that treaty; it shattered, moreover, the invariable tradition of that same Government, it broke away from the doctrine that all its statesmen had proclaimed, and contravened elementary and incontrovertible precepts of the law of nations.

To establish the gravity of these facts and the anomaly of the situation they create, it suffices to observe that now, while the Treaty of 1846—observed by Colombia with indisputable fidelity, under which the United States in return for most valuable concessions by Colombia (then called New Granada) assumed the obligation to guarantee to her "the rights of sovereignty and property which she has and possesses over the territory of the Isthmus of Panama"—is still in full force and is the law of both nations, the United States is seen to guarantee, by a subsequent treaty which they consider to be also in

force, the independence of another nation which on the sole strength of that guaranty holds in its power that same territory, the so-called Republic of Panama.

It would indeed be impossible even to conjecture what considerations could have led the United States to create this situation but for the remaining explanation that the United States practically put upon the existing treaty with Colombia in that emergency an interpretation in absolute conflict not only with that which Colombia holds to be the faithful and correct one and which it has placed upon it to this day, but also with that adopted by the United States until 1903.

It is a thoroughly well-known doctrine that if there are international disputes especially suitable for arbitration they are those arising from disagreement in the interpretation of public treaties: an aphorism which an ex-President of the United States expresses as follows in a recent publication: "In general the interpretation of a treaty is preeminently a matter for arbitration when the contracting parties disagree about its true meaning. Ordinarily this interpretation is a judicial act of the class especially adapted for submission to an arbitral tribunal." (Theodore Roosevelt: "A Proper Case for Arbitration." The Outlook, October 14, 1911.)

It is equally well known that the nations which were represented at the Second Conference of The Hague, in which the United States took so active a part, promptly proclaimed and made a solemn and permanent record of that doctrine when the contracting parties declared in article 38 of the Convention for the Pacific Settlement of International Disputes that: "in questions of a legal nature, and especially in the interpretation or applications of international conventions, they recognize arbitration as the most effective and at the same time the most equitable means of settling disputes which diplomacy has failed to settle."

Although it cannot be denied that in the case of Colombia's claim there is no occasion to exert extraordinary efforts or resort to special circumstances in order to reach the conclusion that the case in hand is one of the ordinary cases which, because of their nature, are most proper subjects for the decision of an arbitral court, I cannot resist the desire of citing here as one of the many grounds upon which Colombia founds her hope of a fully equitable hearing on this occasion the following admirable remarks made by the present President of the United States to the American Peace and Arbitration League: "I find in our arbitration treaties some exceptions as to submitting questions of honor to arbitration. Personally I see no reason why such questions should not be referred to arbitral courts just as those relative to public or private property." Later and on a no less solemn occasion the same President said: "If we now should succeed in concluding with some great nation an express convention for the submission to an international tribunal of arbitration of any controversy that we could not settle by means of a negotiation, no matter whether it involved questions of honor, territory or money, we should take a long step toward demonstrating that it is possible at least for two nations to establish as between themselves the same system of legal procedure which exists between individuals under the jurisdiction of the same government." (Speech of President Taft before the American Association for International Arbitration.)

It may not be out of place to observe here that if this initiative which has already led to the signing of treaties of that scope with two of the most powerful European nations and has won for their author the applause of the world is meritorious and praiseworthy to a degree where powers of the first order are concerned, it cannot but be much more so, and in part of more importance and value to the example of magnanimity and rectitude thereby given, when the same hand is extended to a poor and real American Republic which in long years of friendship with the United States always acted with unquestionable loyalty and unhesitatingly complied, at times even at the cost of great sacrifices, with the obligations it assumed when it signed, sixty-five years ago, the treaty whose interpretation has given rise to the present controversy.

Colombia in this case has nothing but her right to bring forward in her behalf. But her people and her Government believe that to a Government that has taken that initiative and by that example has given evidence of its good faith that right is all the more entitled to consideration and respect as the claimant thereunder is forlorn; and the people and Government of Colombia feel assured that the people of the United States will never fail to emulate their Government when it becomes a question of turning into acts of uprightness and justice the spirit of Christian civilization to which it owes its highest conquests.

In conclusion I beg leave to condense this note in these few words: All that the Government of Colombia asks is that, all efforts toward arriving at a satisfactory solution of the controversy pending with the United States by means of direction negotiations having failed, the Government of this country will assent to its being decided by an impartial tribunal of arbitration.

I avail [etc.]

PEDRO NEL OSPINA.

File No. 711.21/139.

The American Minister to the Secretary of State.

No. 135.] AMERICAN LEGATION,
Bogotá, February 5, 1913.

SIR: I have the honor to enclose herewith a brief statement concerning the preliminary conversation about the suggestions which I was instructed to present to the Colombian Government for the purpose of securing if possible, an adjustment of the differences between the two countries. As I notified the Department by cable, the Colombian Government firmly refused to agree to the completion of the Tripartite Treaties, and after the second preliminary conference the Foreign Office informally notified me that the Atrato concession, the perpetual lease of the islands, and the arbitration suggestions were not acceptable to the Colombian Government. Believing that the objection to the arbitration suggestion might be overcome, I cabled the Department asking that the suggestion concerning the Atrato concession and the perpetual lease of the islands of San Andreas and Providencia might be changed into a suggestion for an option on the Atrato route and a privilege for coaling stations on the islands. The De-

partment's answer to that cable was of such a character that I felt free to have a preliminary conversation along the lines suggested, always bearing in mind that a long time option must be granted if the sum of $10,000,000 were to be paid.

As the original suggestion of a "concession" for a canal on the Atrato route, and a "perpetual lease" of the islands of San Andreas and Providencia could not be considered by the Colombian Government I have eliminated those suggestions from the inclosed report and substituted the modified suggestions that are now under informal consideration. It will be noted that in my explanation of time limit of the option, I have used the term "seventy five years" simply as an argument to show to the Colombian Government what the revenue from such a large sum means when the interest on the sum is taken into consideration, and not that a seventy five years' option would be acceptable. The explanation of the "advantages" which would come to Colombia, should she propose the ideas embodied in this statement for our consideration, has been necessary in order to assist those directly interested to grasp the great value of the generous position taken by the United States Government in its desired adjustment of the pending differences.

What the outcome of these conferences will be is still uncertain. Beyond the peradventure of a doubt word has reached headquarters here from the United States that the Democratic administration "should have the prestige" of a settlement between the two countries and will make a much more generous arrangement than the present administration can possibly offer. I have tried to impress upon those in authority here that the policy of the Department on general principles is unaffected by a change of administration, that it always remains true to the broadest lines of treatment of all nations, and that, while I have no authority to speak for the incoming administration, still it is difficult to conceive of any plan it could adopt that would be more just and honorable and generous than the one now under consideration, and which, at the same time, would meet with the approval of the American people. Whatever happens the Department of State has now suggested a settlement which for liberality, practicability and deference to the susceptibilities of the Colombian people, must challenge the admiration and sympathy of all right thinking persons no matter what their nationality may be. I hope that the Colombian authorities may find it possible to arrange a settlement on the lines now proposed, and I suggest that if the Department deems it proper the statement herewith inclosed might be published, provided Colombia refuses to treat along these lines; notice of such refusal would of course be cabled to the Department as soon as it is known here. It would prove to the world that the United States has made a sincere and honest endeavor along broad and generous lines to render every possible justice to the Republic of Colombia whose ancient friendship our country would rejoice to see renewed.

I am inclosing a statement which I may, if in the end I deem wise, present to the Foreign Office as purely an informal explanation of the advantages to Colombia contained in the suggestions.

I wish respectfully to call the attention of the Secretary of State to the fact that the mention of the "option" and the "privilege"

contained in the enclosed statements are simply and purely informal suggestions not to be seriously considered until I have the approval of the Department.

I have [etc.]

JAMES T. DU BOIS.

[Inclosure 1.]

Statement of the American Minister regarding the preliminary conversations with the President and the Minister for Foreign Affairs of Colombia looking to an adjustment of the differences between the United States and Colombia.

While the United States has for years earnestly desired to put an end to the ill-feeling of Colombia arising out of the loss of Panamá, it has always been met on the part of Colombia by a demand for arbitration, but as the United States is unalterably opposed to submitting its political acts to the consideration of arbitral tribunals it has never been able to reach a settlement. On the 20th day of October, 1912, Minister Du Bois, while on a leave of absence, submitted to the Department of State a report which contained the welcomed information that Colombia was ready to enter into direct negotiations for the adjustment of her differences with this country. The Department of State promptly considered the new situation and feeling that the friendly relations established by Minister Du Bois with the Government and people of Colombia had created a good atmosphere in which to discuss an arrangement, he was instructed to proceed to Bogotá and take up the question with the Colombian authorities. He was instructed to hold preliminary conferences upon five distinct suggestions.

The first was the completion of the Root-Cortés and the Cortés-Arosemena Treaties by Colombia. Both these treaties had already been ratified by the United States Senate.

The second, an option to construct a canal over the Atrato route and the privilege of coaling stations on the Islands of San Andreas and Providencia, for which the United States would pay ten millions of dollars.

The third, the United States would offer its good offices to settle the boundary line and other disputes between Colombia and Panamá.

The fourth, the arbitration by a tribunal to be constituted for that purpose of the material claims of Colombia respecting the reversionary rights in the Panamá Railroad.

The fifth, a supplementary canal treaty, amendatory of the Root-Cortés treaty, removing all the features which were objectionable to Colombia in the Root-Cortés Treaty, asking of Colombia only the right of refuge for vessels in distress, which is an international right, and giving to Colombia extraordinary preferential rights on the Panamá Canal.

Minister Du Bois was instructed not to enter into actual negotiations until the Colombian authorities had approved of the foregoing suggestions and the Department had been notified and had instructed him to proceed with the negotiations.

Minister Du Bois arrived in Bogotá on January 15, 1913, and was received by the Government and people with kindness and marked cordiality. Two days afterwards he called on Minister Carreño, Acting Minister for Foreign Affairs, accompanied by Mr. Leland Harrison, the Secretary of the Legation. After being kindly received by the Minister for Foreign Affairs, Mr. Du Bois expressed a wish to pay his respects to President Restrepo. On the 20th of January the carriage of the President of the Republic called at the American Legation and together with Minister Carreño, Secretary Harrison and Mr. Montejo, the American Minister went to the palace, where he was most cordially received by the President.

Minister Du Bois informed the President that if Colombia were inclined to enter upon direct negotiations with the United States for a settlement of her differences, he was empowered to take preliminary steps to that end. The President said that Colombia desired an honorable and just arrangement with the United States and was ready to consider the important question. The American Minister, in as informal and discreet a manner as possible, asked the President if Colombia had yet reached that point where she would be willing to complete

the tripartite treaties. Without the least hesitation and with firmness the President said, "Those treaties could not be ratified by the Colombian Congress, and I cannot and will not recommend their completion." He thoughtfully added, "The recognition of Panamá by Colombia, however, may follow an honorable treaty with the United States as a natural consequence."

A conference with Minister Carreño was then arranged to take place at the Foreign Office five days later, the 25th of January, for a preliminary consideration of the subject. In the meantime Mr. Du Bois notified the Department of the attitude of the Colombian Government toward the tripartite treaties and was instructed to proceed with the remaining four suggestions.

The first was that the United States would pay to Colombia $10,000,000 for an option giving the right to build an interoceanic waterway on the Atrato route and for the privilege of establishing coaling stations on the Islands of San Andreas and Providencia.

Minister Du Bois carefully explained the advantages to Colombia of these two suggestions as follows:

If the canal were ever built under this option, Colombia would have an interoceanic waterway within her own undisputed borders and over which her sovereignty would be absolute and inviolable. As the construction of the canal was left equally at the discretions of both nations, if the time should come within the limit of the option when the commerce of the world demanded the opening of this new waterway, a treaty as to the details of construction and operation would have to be negotiated, signed and ratified by both countries before it would be valid. If the canal were not constructed within the time limit of the option, Colombia would have received $10,000,000 which, with 5% interest during the option, say 75 years, would bring to the treasury of Colombia the large total of $47,500,000. Should the canal be built, Colombia would, in addition, be the recipient of an annual rental of a handsome sum as well as the beneficiary of liberal special privileges on the canal during its operation. Such a canal, if built, would bring both nations into intimate and important relationship, give to Colombia great advantages over all other countries, and afford her a strategic position of inestimable value by connecting her coast lines on either ocean with a great waterway.

In this suggestion, therefore, is much that made for the welfare of Colombia and nothing that could by the widest stretch of the imagination be justly considered as wounding the susceptibilities of the Colombian people.

The privilege of establishing coaling stations on San Andreas and Providencia would if granted and utilized result in important benefits to the Islands, which are situated one hundred and fifty miles off the coast of Nicaragua in the Caribbean Sea and nearly five hundred miles from the north coast of Colombia. They are inhabited mostly by foreigners, who are engaged largely in the cultivation of cocoanuts.

By granting to the United States the privilege of coaling stations, the absolute sovereignty of Colombia over the Islands would in no way be affected, while on the other hand the privilege if utilized would benefit commerce, increase the revenue to the Colombian Government and bring life and trade to the Islands. Should $2,000,000 of the $10,000,000 to be paid for the Atrato option and the coaling station privilege, be set aside for the Islands, it would, at 5%, produce an annual revenue for the Colombian Government of $100,000. The present revenue above the cost of administration is about five thousand dollars. As under this suggestion Colombia continues her absolute sovereignty and supervision of the Islands, it is impossible to conceive wherein this arrangement could in any way clash with the susceptibilities or patriotism of the Colombian people.

The "good offices" suggestion means that the United States, moved by a friendly desire to aid Colombia to settle at an early date the troublesome boundary question on its northwestern frontier, and other questions resulting from circumstances out of which the boundary dispute arose, and comprehending the peculiar difficulties which confront the Colombian Government in dealing with these questions, would, if Colombia so desired and requested, use its good offices in settling all differences between Colombia and Panamá. If a treaty were made between the United States and Colombia, the former would take a sincere interest in the prosperity and development of the latter, which borders on both oceans and is contiguous to the canal country.

The reversionary rights. Notwithstanding the fact that the United States believes the reversionary rights of the Panamá Railroad vested in the Govern-

ment of Panamá at the time of its separation from Colombia, and has paid Panamá liberally for those rights, still in its oft-manifested desire to settle its differences with the Republic of Colombia, the United States, mindful of the justiciable character of this difference of view, is willing to submit this question to an arbitral tribunal constituted for that purpose and under a convention which must clearly specify the points to be considered.

As Colombia for nine years has demanded arbitration, and as the United States, in harmony with the attitude of all the great powers, cannot permit the arbitration of a political act, it has decided, owing to its wish to secure a just and friendly arrangement with Colombia, to arbitrate the material claims of that country relating to the reversionary rights in the Panamá Railroad. Under the circumstances, these are the only claims that can be admitted to arbitration.

This suggestion should meet with the approval of the Colombian people, as there are many persons who believe that the claims of Colombia in this matter are legitimate and justiciable.

Preferential rights on the canal. The principal and most important feature of the proposed arrangement was the completion by Colombia of the tripartite treaties and of the accomplishment of this the Government of the United States was greatly in hopes. But as the Colombian authorities positively refused to accede to this suggestion, Minister Du Bois was authorized by cable to withdraw it and suggest an amendatory treaty that would remove all of the features which were objectionable to Colombia in the Root-Cortés Treaty. By this amendatory treaty Colombia was asked simply to grant the right of refuge for ships in distress, which all civilized nations permit, and was to receive all the preferential rights on the canal granted by the Root-Cortés Treaty.

The peculiar position of Colombia with her extensive coast line on either ocean would make such special privileges far more valuable to her than they could be to any other Latin-American Republic. By the amended treaty Colombia would have great advantage over all other countries in both peace and war. In peace the products of her industry and soil would be admitted to the Canal Zone subject to only such duties as are paid by similar goods from the United States; her mails would have the same privilege as those of the United States at Cristóbal and Ancón, and her troops, materials of war and ships of war would have at all times special privileges on the canal. In the future development of Colombia these advantages would be of more value than it is possible to estimate at present. Colombia has five hundred thousand square miles of territory of all climates and all soils where may be produced every product known to or required by the human race. To develop these wonderful resources Colombia must obtain increased transportation facilities on a large scale and the Canal would be for all time the most important and useful of these facilities.

[Inclosure 2.]

Memorandum which the American Minister may present to the Colombian Government.

The Government and the people of the United States honestly regret anything should have ever occurred to mar, in any way, the long and sincere friendship that existed for nearly a century between Colombia and the United States, and the latter country has for years earnestly desired to remove the ill feeling aroused in Colombia by the separation of Panamá. In all former efforts for a settlement Colombia has urged the arbitration of the political act of the United States in this matter, but the United States following in the footsteps of the older nations of the earth, has refused to submit its political acts to the consideration of any arbitral tribunal, no matter what was the character of the political transaction. It was not until the Minister of the United States at Bogotá, Mr. Du Bois, submitted his report to the Department of State, dated September 30, 1912,[1] informing it that Colombia had reached a point where the Government saw its way clear to directly negotiate a settlement of their differences with the United States on just and honorable terms, that it found itself in position to act and with commendable prompt-

[1] Not printed.

ness it considered the matter. Believing that the friendly relations of Minister Du Bois with the Government and the people of Colombia had created a favorable atmosphere in which to discuss an adjustment, the Minister was instructed to return to Bogotá and take steps looking to a satisfactory settlement.

The Minister was instructed to present informally five propositions for the consideration of the Colombian Government.

They were as follows:

First. The completion of the tripartite treaties by Colombia.

Second. The payment of ten millions of dollars to Colombia for an option to construct an interoceanic waterway in the Atrato route and for privilege of coaling stations on the islands of San Andreas or Providencia.

Third. The good offices of the United States in the settlement of all disputes between Colombia and Panamá.

Fourth. The arbitration of the claims of Colombia to reversionary rights in the Panamá Railroad.

Fifth. The granting of extraordinary preferential rights to Colombia in the Panamá Canal.

The Government of Colombia promptly rejected the proposal to complete the Root-Cortés and the Cortés-Arosemena treaties, and the United States, deeply desirous of securing a friendly settlement, promptly withdrew this proposition although it earnestly desired the conclusion of these treaties by Colombia.

The second suggestion, that of an option for the construction of an interoceanic waterway on the Atrato route and the privilege of coaling stations on the islands of San Andreas and Providencia would result in the following advantages to Colombia. If the canal were ever built, Colombia would have a great interoceanic waterway within her own borders over which her sovereignty would remain undisturbed. As the question of the actual construction of the canal is left equally at the discretion of both nations, the United States would have to negotiate a treaty with Colombia if the increased commerce of the world demanded the opening of the canal within, say, seventy-five years, and at that time Colombia would have the right to dictate the terms upon which the canal should be constructed, such as administration of zone, rent, preferential rights, etc. If at the end of the option term the canal were not constructed, Colombia would have had the use of ten millions of dollars for, say, seventy-five years, which at 5% interest during that period would have, together with the principal, amounted to $47,500,000. Besides, Colombia would be sure of a perpetual revenue from the ten millions alone of $500,000 annually. If the canal were built, Colombia would not only have had the ten millions but from the day of the actual operation of the waterway she would commence to receive a rental amounting to a sum to be agreed upon by the two nations, which might be quite as large or larger than that paid for the Panamá Canal. Such an interoceanic waterway would bring the two countries into close and valuable relationship, giving to Colombia extraordinary advantages over all other nations of the world and the prestige that would come to Colombia, if this canal were ever opened to the commerce of the nations under these conditions, would be of inestimable advantage to the Republic, which possesses extensive coast lines on both oceans with excellent harbors. In this second suggestion everything is favorable to Colombia and there is nothing which in the widest stretch of the imagination could wound the pride or susceptibilities of the Colombian people.

The privilege for coaling stations on San Andreas and Providencia would have this advantage to Colombia: that if there were set aside $2,000,000 of the $10,000,000 for this privilege, this sum at 5% per annum would produce an annual revenue for the Colombian Treasury of $100,000, while the net revenue from the islands to-day is not more than five thousand dollars. The granting to the United States by Colombia of the privilege to maintain coaling stations on the islands would not in any way affect the sovereignty over or the superintendency of the islands by the Colombian Government, while on the other hand if the privilege were ever utilized it would enhance the value of the islands and increase the Colombian revenues by bringing a larger amount of business to their shores, as well as more life and people, and all the inhabitants would be the beneficiaries of the new activity. As Colombian sovereignty would remain absolute and inviolate over the islands there would be nothing in this arrangement that should in any way wound the feelings of any reasonable and thoughtful citizen of the Republic, and, besides, this arrangement would be another link to

draw the two nations closer together in friendship, in trade and in commerce.

The third proposition was that of exercising the good offices of the United States to settle the disputes of Colombia with Panamá, and incidentally with other countries if so desired. This means that the United States, moved by a cordial desire to aid Colombia to adjust at an early date the troublesome boundary and other questions in dispute between Panamá and the Republic of Colombia, and comprehending the peculiar difficulties which confront the Colombian nation in dealing with these questions, would, if Colombia desired, act in its behalf to bring about an adjustment and thus minimize and possibly avoid direct negotiations with a state whose independence she denies. There are many other disputes in which the United States would use its good offices, if requested by Colombia, but could not and would not use these good offices except at the request of Colombia and then only in the interest of harmony and justice. If a treaty were concluded between Colombia and the United States the latter would have an increased friendly interest in the former, whose territory lies next to the great waterway soon to be opened and is washed by the tides of the two great oceans which it connects. It would naturally desire to see Colombia develop and prosper and that peace should reign throughout her wide-reaching confines, and all disputes with adjacent countries adjusted upon lines of justice, equity and right.

Reversionary rights in the Panamá Railroad. Notwithstanding the fact that the United States believes that these reversionary rights vested in Panamá at the time of the separation, and notwithstanding that the United States has already compensated Panamá for these rights, still, with a sincere desire to renew the ancient friendship which it deeply regrets has ever been disturbed, the United States is willing to arbitrate the question with Colombia, who claims that she is the lawful owner of the reversionary rights in the Panamá Railroad.

Colombia, ever since the separation of Panamá, has earnestly demanded the arbitration of the whole question before The Hague Tribunal; but as the United States, in harmony with the attitude of all the great powers, is unalterably opposed to the arbitration of any of its political acts, it has been impossible to comply with Colombia's demands. The Government of the United States, however, mindful of the justiciable character of the difference of views concerning the material claims of Colombia, is willing to submit these claims to an arbitral tribunal constituted for that purpose and under a convention that must clearly specify the points to be considered. This decision should meet with the warm approval of the Government and the people of Colombia, especially as the rights of Colombia in the Panamá railway are considered by many as a perfectly legitimate and justiciable claim. Under the contract of 1867 Colombia ceded the tráns-isthmian railway to the Panamá Railroad for a period of 99 years, at a royalty of $250,000 a year; when the payments ceased at the time of the separation the contract had 64 years to run. This left 64 payments or a total of $16,000,000 to complete the contract. This claim might by mutual consent be submitted for arbitration. As Senator Bristow officially reported in 1906 that the value of the Panamá railway was $16,446,000, the total amount that might be submitted for arbitration would be $32,446,000. Besides this sum there is the amount of the Salgar Wyse concession which was to expire in 1984, and for which the Colombian Government was to receive $250,000 per annum from the opening of the canal. Should the canal open next year this would make 70 payments that would have been due Colombia or $17,500,000. Should the arbitral tribunal consider this claim the total amount under arbitration would be $49,946,000.

This sum, which is possible, together with the $10,000,000 for the option and privilege on the Atrato and islands, which is certain, and the interest on this sum during the life of the option, say 75 years, of $37,500,000 make a total amount under consideration of $97,446,000. Of this sum Colombia is certain of $47,500,000 for the, say, 75 years option, and would probably be awarded the value of the railroad, say $16,446,000, and might receive awards in the other two claims amounting to $33,500,000 if they were admitted to the tribunal.

Preferential Rights.—The fifth suggestion considered in the preliminary conference was the preferential rights of Colombia in the Panamá canal which was unquestionably the most important feature under contemplation. As Colombia positively refused to complete the tripartite treaties, and as the United States earnestly desired to remove the Colombian grievances, it withdrew that suggestion and proposed an amendatory treaty to the Root-Cortés Convention that

does away with all features that were unacceptable to Colombia, leaving in the treaty only the right of refuge, which is an international right, and the special right on the canal which gives to Colombia extraordinary advantage over all other countries. The peculiar position of Colombia with extensive coast lines on each ocean makes such privileges far more valuable to her than they would be to any other country in South America. By the amended treaty Colombia will have not only superior advantages in times of peace, when she may enter all of the products of her soil and industries into the canal zone free, but in times of war her troops, materials of war and ships of war together with her agents and employees may pass freely through the canal and in addition her mails have special privileges at Cristóbal and Ancón. In the future development of Colombia these privileges will increase in importance and value. Colombia is a country containing 500,000 square miles of territory of all kinds of climates and soils in which may be produced every product and mineral known to or required by the human race. To develop these wonderful resources Colombia needs increased transportation facilities on a large scale and the canal would prove to be the most valuable of all these advantages.

NOTE.—On February 15, 1913, the American Minister informally presented the above-printed memorandum (inclosure 2 with his despatch of February 5) to the Colombian Government, and notified the Department thereof, by telegraph.

File No. 711.21/149.

The American Minister to the Secretary of State.

No. 141.] AMERICAN LEGATION,
Bogotá, February 28, 1913.

SIR: I have the honor to enclose herewith clippings from the El Nuevo Tiempo of the 27th ultimo, consisting of the Spanish translation of the memorandum transmitted with my despatch No. 135 of February 5th, and of the minutes of my last conversation with Dr. Urrutia, together with an English translation thereof.

I also beg to enclose clippings from local newspapers[1] commenting upon the informal suggestions submitted to the consideration of this Government.

The Department will note that while several newspapers deliberately misunderstand or mistake the bases offered by me, all endorse the action of the Government in refusing to accept any proposals which would affect the sovereignty of Colombia over any part of her territory.

I have [etc.] JAMES T. DU BOIS.

[Inclosure—Translation.]

Minutes of the conference between the Minister for Foreign Affairs and the American Minister.

On February 15, 1913, there took place a conference at the Ministry for Foreign Affairs between Dr. Francisco José Urrutia, Minister for Foreign Affairs, and Mr. Leopoldo Montejo, Secretary ad hoc, on the one hand, and Mr. James T. Du Bois, Envoy Extraordinary and Minister Plenipotentiary of the United States, and the Secretary of the Legation, Mr. Leland Harrison.

Mr. Du Bois expressed his desire that the conference should be considered informal, to which Dr. Urrutia replied that as Mr. Du Bois so desired it should be as he requested but that he wished to point out that this informal character

[1] Not printed.

would detract somewhat from the importance of Mr. Du Bois' propositions and from this conference.

Thereupon the American Minister reviewed the course of the present conversations looking to an arrangement acceptable to Colombia for the settlement of the differences pending between the two countries.

Mr. Du Bois concluded by saying that he had received a memorandum which Mr. Carreño had sent him by the Secretary ad hoc, Mr. Montejo, in which the Minister in charge of the Ministry for Foreign Affairs, informed him, much to his regret, that the Government of Colombia did not consider acceptable the propositions submitted by the American Minister in the name of his Government.

Mr. Du Bois asked Mr. Urrutia if he had read his last memorandum, to which the Minister for Foreign Affairs replied in the affirmative, whereupon the American Minister asked Mr. Urrutia his opinion, and the latter replied that he was in complete accord with his predecessor and that this was also the opinion of the President of the Republic. Moreover Mr. Urrutia remarked that the acceptance of such bases as those suggested by Mr. Du Bois would result in an intense agitation throughout the people of Colombia.

The American Minister asked the Minister for Foreign Affairs to state the wishes of the Colombian Government in the matter, to which Mr. Urrutia replied that the desire of Colombia was to submit the questions pending between Colombia and the United States to arbitration and that the last note on this subject addressed by Mr. Ospina, the Colombian Minister at Washington, to the Department of State on November 25, 1911, was conceived in this sense.[1] To this note Mr. Urrutia again called the attention of Mr. Du Bois. Notwithstanding this, however, if the Government of the United States was disposed to give Colombia satisfactory reparation for what had taken place, Colombia had no objection to consider it and was prepared to enter into some direct arrangement which would satisfy the national aspirations evinced on more than one occasion. Mr. Du Bois replied that this was exactly the purpose of his Government in sending him back to Colombia and with this in view he had presented the memorandum which contained the proposal. Mr. Urrutia answered as he had before, that is to say, that the Government of Colombia was not in a position to consider the proposal, because it did not think that it contained the just reparation which Colombia should receive for the immense damage suffered by reason of the separation of Panamá, neither did it consider that this proposal, if formulated into an agreement, would be approved by the Colombian Congress.

Mr. Du Bois pointed out that the Government of the United States could not submit to arbitration the question of the separation of Panamá, considered in its political aspect, although it was prepared to arbitrate the material side of the question, as the people of the United Sates would never agree to submit its political acts to arbitration, which had never been done so far by any country in the world. Mr. Urrutia replied that at the bottom of the differences between Colombia and the United States was the question of the violation of a public treaty: that of 1846; that it was precisely to questions regarding the application and interpretation of treaties to which the Hague Convention referred relative to the pacific settlement of international questions; that the actual President of the United States had proposed and taken the initiative in the sense that arbitration should be extended even to include questions concerning national honor and territory; that the present controversy between England and the United States, for which arbitration was demanded by many illustrious North American jurists, referred precisely to the interpretation of a clause of the Hay-Pauncefote Treaty. Mr. Du Bois carefully pointed out to his excellency the Minister that this example was precisely to the point, in that the arbitration proposed referred to a purely material claim, i. e. as to the amount of tolls to be paid by certain shipping passing through the Canal, and in no way comprised the arbitration of any political act whatsoever. Mr. Urrutia stated that he respected the opinion of Mr. Du Bois in this regard but that he could not agree with him; that the discussion of the application or violation of a public treaty, such as the Hay-Pauncefote Treaty, fundamentally involved always a question of international policy, and he remarked in conclusion that if the American Minister found obstacles in the sentiments of the American people to submitting to arbitration the political questions relative to the separation of Panamá, he, as Minister for Foreign Affairs of Colombia, could state that the public sentiment of the Colombian people would always refuse any arrangement whatsoever

[1] See ante.

which, without being a just reparation to Colombia, might involve a diminution of sovereignty, a privilege or an unacceptable concession over any part of the national territory, such as were contained in Mr. Du Bois' proposals relative to the islands of San Andrés and Providencia and the Atrato canal.

Mr. Dubois said that in his opinion the proposition in its amended form did not contain any diminution of sovereignty. Mr. Urrutia replied that he abstained at the present time from deep discussion of this point and that he contented himself with assuring Mr. Du Bois that the Government considered any such stipulation as prejudicial to the national welfare ("inconveniente para los intereses nacionales").

Thereupon Mr. Du Bois asked the Minister for Foreign Affairs whether he thought that if the United States should offer $10,000,000 without asking any privilege on the islands or the option to build the Atrato canal but bearing in the other propositions, would the Colombian Government accept this offer. The Minister for Foreign Affairs answered, No: that the proposal in its entirety was refused by the Government, as not being of such a nature as could be accepted by Colombia.

Mr. Du Bois expressed his deep regret that the Government of Colombia refused to enter into negotiations on the proposed bases, and that it should insist upon an impossible arbitration. In his opinion the Government of Colombia was losing a propitious opportunity to settle the pending questions with the United States, an arrangement which he ventured to believe, as a good friend of Colombia to be most necessary before the opening of the Panamá Canal. The American Minister also regretted that the Government of Colombia did not see its way clear to completing an arrangement on the basis suggested before the 4th of March next, an arrangement which might be amended further to the advantage of Colombia after that date, but which if now refused by Colombia might never again be proposed by the United States in so favorable a form.

Mr. Du Bois endeavored to obtain an expression of opinion from his excellency the Minister as to the bases which might be acceptable to Colombia. Dr. Urrutia replied that his Government, as he had already stated, demanded the arbitration of the whole Panamá question, or a direct proposition from the United States to compensate Colombia for all of the moral and material damages sustained by her because of the separation of Panamá. The American Minister inquired if that were the last word of Colombia, to which the Minister for Foreign Affairs answered, Yes.

Mr. Urrutia assured Mr. Du Bois of his deep regret that he was unable to enter upon any negotiations on these bases, and that he regretted it all the more as Mr. Du Bois was held in the highest estimation by the Government of Colombia.

The American Minister asked Mr. Urrutia if he thought that there was any objection to the publication by the press of the propositions suggested by him in the name of his Government, to which the latter replied that he would consult with the President of the Republic, but in the event of the proposal being published it would be necessary to make public the minutes of this conference.

Mr. Du Bois inquired of Mr. Urrutia if he considered that the refusal to accept the proposal terminated the negotiations initiated by him. Mr. Urrutia answered, Yes.

Mr. Du Bois thereupon informed the Minister that he withdrew his proposal from further discussion, and notified the Government of Colombia to consider them as never having been made.

H. R. Doc. No. 1444. 62d Cong., 3d sess.

Message from the President to Congress, transmitting a report by the Secretary of State on the subject of relations between the United States and the Republic of Colombia.

[Read March 1, 1913. Referred to the Committee on Foreign Affairs.]

To the Senate and the House of Representatives:

I transmit herewith for the information of the Congress a report[1] made to me on February 20, 1913, by the Secretary of State, on the

[1] File No. 711,21/138a.

subject of relations between the United States and the Republic of Colombia.

WM. H. TAFT.

THE WHITE HOUSE,
Washington, March 1, 1913.

The PRESIDENT:

In the report[1] which I had the honor to submit to you on May 17, 1912, and which was transmitted in your message of May 22, 1912, to the Senate in response to the Senate's resolution of March 1, 1912, requesting the transmission of correspondence with the Government of Colombia, I stated that the possibility of finding any reasonable means to put an end to the remaining ill feeling between the Republic of Colombia and the United States had, by your direction, long been the subject of study by the Department. That study having culminated in the program approved by your letter[1] of November 30, 1912, I deem it my duty now to report upon the outcome of the efforts which the Department had made to carry out that program and thereby to replace the relations of the two countries in a state of cordial friendship and mutual confidence. That program was the result of the exhaustive study and earnest endeavors which, by your direction, had engaged the attention of the Department from the beginning of the administration, in accordance with your conviction and that of the Department that, so far as consistent with the dignity and honor of the United States and with the principles of justice when applied to the true facts, no effort should be spared in seeking to restore American-Colombian relations to a footing of completely friendly feeling.

Before discussing the generous advances of this Government, which I regret have been, I think, so mistakenly rebuffed by the Government at Bogota, it will be convenient by way of recapitulation to sketch, in a measure, the antecedents of the recent attempts of the Department to reach the hoped-for adjustment. Inasmuch, however, as the present report is not submitted with a view to its transmission to the Congress, nor intended as a complete survey of the very extensive and complex historical background of this subject, I shall endeavor to confine it within reasonable limits, which would not be possible if the vast amount of material on the subject now on file in the Department were to be included or exhaustively summarized.

The necessity for some brief review of what had preceded is enhanced by the fact that the subject of arbitration, now again urged by Colombia, is intimately associated with political problems affecting the status of Panama, and the efforts of the Government of the United States to bring about an adjustment of concatenated questions in which, as a party directly interested because of its rights in regard to the Panama Canal, this Government is the more deeply concerned.

It seems obvious that, even assuming that any tangible issue for arbitration between the United States and Colombia could be made out, evidently no terms of arbitral submission could be entertained which might call in question the right of Panama to exist as a sovereign State.

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[1] Not printed.

At this point it should be recalled that Colombian proposals of arbitration, inadmissible for this and other reasons, have twice been rejected by this Government after full consideration by two former Secretaries of State, Mr. Hay and Mr. Root.

Mr. Hay, writing to General Reyes on January 5, 1904, said:

> Entertaining these feelings, the Government of the United States would gladly exercise its good offices with the Republic of Panama, with a view to bringing about some arrangement on a fair and equitable basis. For the acceptance of your proposal of a resort to The Hague Tribunal this Government perceives no occasion. Indeed, the questions presented in your "statement of grievances" are of a political nature such as nations of even the most advanced ideas as to international arbitration have not proposed to deal with by that process. Questions of foreign policy and of the recognition or nonrecognition of foreign States are of a purely political nature and do not fall within the domain of judicial decision; and upon these questions this Government has in the present paper defined its position.

Mr. Root, writing to a succeeding Colombian minister on February 10, 1906, said:

> The real gravamen of your complaint is this espousal of the cause of Panama by the people of the United States. No arbitration could deal with the real rights and wrongs of the parties concerned unless it were to pass upon the question whether the cause thus espoused was just—whether the people of Panama were exercising their just rights in declaring and maintaining their independence of Colombian rule.
>
> We assert and maintain the affirmative upon that question. We assert that the ancient State of Panama, independent in its origin and by nature and history a separate political community, was confederated with the other States of Colombia upon terms which preserved and continued its separate sovereignty; that it never surrendered that sovereignty; that in the year 1885 the compact which bound it to the other States of Colombia was broken and terminated by Colombia, and the Isthmus was subjugated by force; that it was held under foreign domination to which it had never consented; and that is was justly entitled to assert its sovereignty and demand its independence from a rule which was unlawful, oppressive, and tyrannical. We can not ask the people of Panama to consent that this right of theirs, which is vital to their political existence, shall be submitted to the decision of any arbitrator. Nor are we willing to permit any arbitrator to determine the political policy of the United States in following its sense of right and justice by espousing the cause of this weak people against the stronger Government of Colombia, which had so long held them in unlawful subjection.
>
> There is one other subject contained in your note which I can not permit to pass without notice. You repeat the charge that the Government of the United States took a collusive part in fomenting or inciting the uprising upon the Isthmus of Panama which ultimately resulted in the revolution. I regret that you should see fit to thus renew an aspersion upon the honor and good faith of the United States in the face of the positive and final denial of the fact contained in Mr. Hay's letter of January 5, 1904. You must be well aware that the universally recognized limitations upon the subjects proper for arbitration forbid that the United States should submit such a question to arbitration. In view of your own recognition of this established limitation, I have been unable to discover any justification for the renewal of this unfounded assertion.

It is important to note also that the Government of Colombia has never to this day presented anything even approaching a question justiciable by arbitration, it being a universally recognized principle that neither indefinite nor purely political matters are of a nature to be arbitrated.

It is perhaps useful to advert somewhat more to the background of previous events. On January 22, 1903, was signed at Washington the treaty between the United States and Colombia, known as the

Hay-Herran treaty, for the construction of an interoceanic canal by the United States. This treaty, although essentially conforming to the proposals of Colombia, besides being eminently just and even generous, was enthusiastically welcomed by its direct beneficiaries, the people of the Panaman Isthmus. In Bogota it was coldly received. At the first signs of opposition in the Colombian Congress discontent and resentment were manifested in Panama. As the possibility of the treaty's being rejected at Bogota grew to a probability, the idea of regaining their historical autonomy awakened and became strong in the minds of Panamans. The contingency of secession was openly discussed and advocated. Months before the event the representatives of Panama in the Congress at Bogota raised their voices in unheeded warning. The certainty, which soon became evident, that the canal treaty would be rejected proved their warning true. The bloodless revolution of November 3, 1903, followed, with instant success. Within 48 hours from the proclamation of Panaman independence the last vestige of Colombian authority on the Isthmus had disappeared and the people of Panama, through the unanimous vote of their municipalities, had ratified the Republic.

Imbued with the inherited spirit of territorial nationality and the recollection of their ancient geographical entity, the keen interest of the Panaman people in the establishment of interoceanic transit through their territory is readily comprehensible and it is no cause for surprise that they were impatient of the obstacles set by the Government at Bogota, through its rejection of the Hay-Herran treaty, in the way of the accomplishment of the stupendous work of the canal. The feelings of the people of Panama were early shown through the declaration made by their representative in the Colombian Congress and echoed by other farsighted members, that a failure to ratify the canal treaty would be followed immediately by a separatist revolution. It was a matter of common notoriety in the city of Bogota that such an outcome of the rejection of the treaty was inevitable. Although amply forewarned, the authorities at Bogota appear to have courted the impending result. The Colombian President contributed to bring it about by his amazing departure from the practice of nations in failing even to recommend for approval a treaty signed under the explicit direction of its President on behalf of the sovereign State by its empowered agent. In the light of the manifested spirit of the people of Panama, it is evidently quite superfluous to allege that this revolutionary sentiment was fomented by persons in the United States. Outside pressure, even by interested private parties, would seem to have been a work of supererogation, even if its existence were a fact. The separation became a patent certainty from the moment the Colombian Executive and Congress foredoomed the treaty to failure.

The Government of the United States, being satisfied that a de facto government, republican in form and without substantial opposition from its own people, had been there established, extended its recognition to the new Republic of Panama on November 6, 1903. From almost the very day in November, 1903, that Panama regained the attribute of self-government which that State had possessed without question from the time of emancipation from Spanish domination to the time of its incorporation by conquest into the cen-

tralized Government of Colombia, the Government of the United States bent its earnest efforts toward effecting a just and practical settlement to which Panama, equally with the United States and Colombia, should be a party.

The earlier representations of the Colombian Government, after the recognition of the Republic of Panama and the conclusion of the canal treaty, did not urge arbitration, except by way of alternative submission of pending questions to an impartial court should a diplomatic arrangement not be feasible. These representations were made up of complaints and charges against the United States with imputation of violation of treaty and general bad faith. Colombia then insisted upon reparation being made by the Government of the United States. This is shown by the correspondence heretofore published.

As an element of the proposed negotiation for a conventional settlement a suggestion of arbitration was made which looked to "the settlement of the claims of a material order which either Colombia or Panama by mutual agreement may reasonably bring forward against the other as a consequence of facts preceding or following the declaration of independence of Panama." This proposition, as formulated, was favored by Secretary Hay, together with the proposal that a plebiscite should determine whether the people of the Isthmus preferred allegiance to the Republic of Panama or to the Republic of Colombia (Mr. Hay to General Reyes, Jan. 13, 1904). Both these proposals were considered in the subsequent negotiations of the tripartite treaties, which aimed to settle all claims "of a material order" between Colombia and Panama and which were, in terms, largely responsive to the Colombian demands in this regard; but the only subject to be submitted to arbitration under the abortive treaty between Colombia and Panama signed by Messrs. Cortés and Arosemena was the boundary line in the long-disputed district of Jurado. No provisions for a Panaman plebiscite appeared therein. Even that proposed alternative of arbitration thus disappeared when the parties to the controversy reached the conventional accord formulated in the tripartite treaties of January 9, 1909.

The negotiations of these treaties with the United States and Panama for the adjustment of all questions between the three parties were proposed by the Government of Colombia itself.

The negotiations stretched over a period of some three years, being interrupted from time to time by fresh demands on the part of Colombia and hampered in their course by what seemed a very inconsistent reversion of the Colombian plenipotentiaries of the time to attempt to create issues any bases for which had in effect been set aside by Colombia's own proposal to settle the material questions involved. On one occasion the obstructive tactics of the Colombian plenipotentiary were virtually disavowed by his recall and the substitution of another more in accord with the policies of his Government.

The issue had thus been early narrowed to the question of compensation for the losses and injuries pleaded by Colombia, and, it being undeniable that Colombia had suffered by failure to reap a share of the benefits of the canal, the Government of the United States was entirely willing to take this consideration into account, and to endeavor to accommodate the conflicting interests of the three parties by

the conventional fixation of a just measure of compensation, in money or in material equivalence. Throughout the whole discussion the course of the United States was marked by kindly forbearance and equitable generosity. The result was the signature on January 9, 1909, of three treaties,[1] one between the United States and the Republic of Colombia, one between the United States and the Republic of Panama, and one between Colombia and Panama, all three being interdependent, to stand or fall together. The treaties between the United States and the respective Republics of Colombia and of Panama received the advisory and consenting approval of the Senate on the respective dates of February 24 and March 3, 1909. That between Colombia and Panama was ratified by the Republic of Panama January 27, 1909, while the treaty with the United States was ratified by Panama three days later.

It seems unnecessary for the purposes of this report to narrate the elaborate negotiations which preceded the signature of the "tripartite" treaties. The Senate, in executive session, was apprised of the processes by which the conventional results were reached and the nature of those results is made apparent by the text of the three instruments. That their provisions sought to deal, adequately, justly, and in the only practical manner so far suggested, with the international problems growing out of the secession of Panama and out of the assumption by the United States of the great work of constructing the canal, would appear to be evident to the unprejudiced mind. The interests and honor of the three countries were, throughout the negotiation, jealously guarded by their respective plenipotentiaries, and their agreement on all vital points was a confirmatory safeguard.

Nevertheless, negotiated as these treaties were at the instance of Colombia, and framed as they were with every desire to accommodate their terms to the just expectations of Colombia; and although they were accepted by the Colombian Cabinet, which made repeated efforts to bring about conditions favorable to their approval by the Congress, the treaties still remain unacted upon.

It thus remained for the Colombian Government to hold up the treaties, to propose the nullification of all the negotiations which had led up to their conclusion and which it had invited, and to suggest entrance upon new negotiations with the United States alone. This suggestion the United States then declined to accept, holding that the "tripartite" treaties must stand or fall together and that no such substitutionary arrangement could be considered without the harmonious agreement of all three parties. In the same attitude, the Colombian Government, without seeking the consent of the United States to enter, after these two rebuffs, upon a discussion of an entirely different character, sought to revert to its former proposal of some kind of settlement by arbitration.

The next proposal of Colombia, on January 5, 1910, was that the United States and Panama should agree to submit to a plebiscite the question of the separation of Panama with the promise that the interests of the United States in the Canal Zone should not be affected by the result.[2] This proposal as made was considered intangible and impracticable, although as late as March 26, 1910, it appears to have

[1] For. Rel. 1909, pp. 223–233.

[2] For. Rel. 1910, p. 406.

been the subject of an informal suggestion of the Colombian Minister, coupled with the promise that if the vote should be unfavorable to the status of Panama the Government of Colombia would formally recognize the acts of Panama in the canal matter.

Again the suggestion of arbitration in somewhat more tangible form appears in the shape of a confidential memorandum, under date of November 30, 1910, expressing the view of Señor Olaya, the Colombian Minister for Foreign Affairs, that, as the provision of article 35 of the Treaty of 1846 in regard to the guaranty by the United States of Colombian sovereignty over the territory of the Isthmus was differently interpreted by the two Governments, the question whether the acts of the United States on the Isthmus in 1903 were not in harmony with the engagements of article 35 appeared to be a judicial issue proper for arbitral determination. This informal suggestion appeared to involve proposals already rejected by Secretaries Hay and Root. It did not, moreover, materialize in a shape admitting of discussion, and was lost to sight when, about the same time, a new turn was given to the matter by the suggestion of the Colombian Foreign Office that, with a few changes ("more apparent than real") the treaties might be approved. No tangible proposal was offered, however, as to the changes desired, although it was intimated in January, 1911, that they might import confirmation of Colombia's claim to the ownership of the Panama Railway and of alleged rights and interests in any canal contract or concession granted by Colombia. This intimation, like others put forward during 1910, never reached the stage of diplomatic discussion.

Still another phase supervened when, on March 28, in view of the statement alleged to have been made by ex-President Roosevelt in an address delivered at Berkeley, California, on March 23, to the effect that "he took the Canal Zone," the Colombian Minister, Señor Borda, construing this reported utterance as an admission that his nation had been "gratuitously, profoundly and unexpectedly offended and injured," demanded that the dignity and honor of Colombia should "receive satisfaction." No diplomatic discussion of this incident ensued.

At the end of May, 1911, Señor Borda took leave of the President, and returned to Colombia, being replaced by General Pedro Nel Ospina, who presented his credentials May 31, 1911.

No record exists of any effort by this new Minister of Colombia to reach an understanding in regard to the Panama controversy or the tripartite treaties until his note of November 25, 1911.[1] In that note he recited, "the utter unlikelihood" of a diplomatic settlement of the Panaman issues; characterized the attempt to regulate the situation by the direct agreement embodied in the tripartite treaties of 1909 as "most unfortunate," owing to the adverse sentiment of the Colombian people which had brought about the expatriation of the head of the Government and of the plenipotentiary (Señor Cortés) by whom they were signed; asserted that it had been demonstrated practically that the desired settlement of the existing differences could not be reached by direct agreement, and urged resort to the decision of an impartial tribunal as to the interpretation to be given to that part of the still existing Treaty of 1846, by which the United States, in return for valuable concessions, assumed the obligations to guarantee to New

[1] See ante.

Granada (now Colombia) "the rights of sovereignty and property which she has and possesses over the territory of the Isthmus of Panama."

In conformity with usage, it was to be expected that the envoy would follow up such a communication by seeking personal conference with the Secretary of State to clear the way for formal treatment of a proposal alike so important and so vaguely comprehensive. As a matter of course, and as a part of the public duty of his office, the Secretary of State was and is, at all times, ready to hold such conference with a foreign representative, knowing the advantage to both parties in such a case, of thoroughly understanding each other's views before their expression in official correspondence. Moreover, a just regard for the sensibilities of a nation with which this Government sincerely desires to maintain friendly intercourse naturally made the Secretary of State averse to making a categorical refusal of the proposition, while on the other hand the vagueness of the proposal, like the nature of some of its implications, forbade its academic discussion without a more distinct understanding of its true scope. General Nel Ospina, however, held aloof from the Department of State.

Matters were in this posture when, on the eve of the departure of the Secretary of State on a mission of good will and earnest amity toward the several Republics of the Caribbean, a kindly personal intimation of the pleasure it would afford the Secretary to include Colombia in his itinerary was met by the assertion that such a visit would be "inopportune."[1] Included in this reply to an urbane note were arguments and also accusations tending to impugn the honor and good faith of the United States. It is gratifying to know that this singular course of the Minister was taken on his own initiative and was reprobated by his Government.[2] The incident was not of international moment, but it was closed by the spontaneous recall of the envoy by his Government, leaving nothing in the path of that good understanding which this country desires to maintain with its fellow Republic.

It is thus seen that the request of Colombia for arbitration has only recently advanced from the status of a suggested contingent alternative, as a resort in case of failure to attain a diplomatic adjustment, to that of a request predicated on the impossibility of such a direct settlement, an impossibility, if it be one, only because of the act of the Colombian Government in twice repudiating settlements already agreed upon on two occasions by the procedure usual in the intercourse of nations.

It is also to be seen that while the request takes the same form as the earlier suggested contingent alternative and appears to confine the subject matter of arbitration to ascertainment of the true intent of an isolated clause of article 35 of the Treaty of 1846, a decision in that regard would revive the old charges and bring them into the arbitral proceedings.

It does not seem timely or pertinent to the purposes of this message to discuss these charges, which were exhausted in the correspondence of 1904 and 1905, and which were necessarily laid aside

[1] In an informal personal letter to the Acting Secretary of State, dated February 15, 1912. (File No. 033.1100K77/42.)

[2] File Nos. 033.1100K77/24b, 43a, 46, 130.

when the two Governments entered upon negotiations for a friendly adjustment of their differences, with the result of agreement upon conventional terms of settlement. It suffices to say that the thirty-fifth article of the Treaty of 1846 is necessarily to be construed as a whole, that the reciprocal obligations of the United States and Colombia were framed to enable this country to enjoy and maintain the enjoyment of the privileges of free uninterrupted isthmian transit, and that the transit was to be kept open by the United States upon occasion, free from disturbance from within or aggression from without. The stipulation which the Colombian Government isolates from its context and seeks to make the sole basis of its contention is in its essence a part of the rights reserved to the United States in order to secure to itself the tranquil and constant enjoyment of the advantages of the transit.

While it is styled as being in compensation for these advantages and in return for the general commercial privileges accorded by the convention, it is perfectly clear that, like the "perfect neutrality" of the Isthmus, the guaranty of the rights of sovereignty and property is to the end "that the free transit from the one to the other sea may not be interrupted or embarrassed in any future time while this treaty exists." And here it may not be out of place to observe that the neutrality of the Isthmus is not its international-law neutrality. The word neutrality has many meanings and shades of meaning besides its strictly technical sense of impartiality between alien belligerents, and is too often indefinitely or irrelevantly employed. In this instance, the obvious sense is that the territory covered by the transit is not to be allowed to become an arena of foreign assault or internal disturbance that may impair the tranquil enjoyment of its use. The United States has exercised the right to prevent such interruption in the past upon occasion, sometimes with the consent of Colombia, sometimes without it, sometimes at the request of Colombia herself in times of civil disturbance, and in the latter case not in fulfillment of any supposed duty to uphold the authority of the titular Government of the territory, but to prevent disorderly interference with the transit. Indeed, the very acts of the United States upon the Isthmus of which Colombia complained comport fully with the right and duty of the United States under the Treaty of 1846 to keep the line of transit free from the paralyzing disturbance of civil war, just as it would have been a right and duty to prevent its being a prey of alien rapacity in violation of the territorial rights of its own nationals.

When a new American Minister, Mr. James T. Du Bois, was sent to Colombia, in the latter half of 1911, he was informed of the desire of the United States to find some means consistent with its dignity and honor whereby an end might be put to the ill-feeling of Colombia. The view of this Government that, as a condition precedent to any real hope of this desirable result, there should be some modification of attitude in the direction of reasonableness on the part of the Colombian Government was explained, and much time was given by Mr. Du Bois to a careful study of the relations between the two countries. In the summer of 1912 he returned from Bogotá to confer with the Department of State as to how a just and fair settlement of our differences with Colombia could be reached.

A program having been evolved which was thought fully responsive to all the needs of the situation, as fresh evidence of the sincere desire of the United States to allay once for all the ill-feeling existing in Colombia, the Minister was given full instructions and proceeded to his post. In view of the experience of this Government in seeing adjustments carefully made twice shattered by the failure of their final acceptance at Bogotá, it was felt that any fresh formal proposals should certainly emanate from the Colombian Government. The Minister was therefore authorized simply to make known through informal and confidential conversations certain bases which, if reduced to the form of proposals made to the United States by the Government of Colombia, would receive sympathetic consideration by this Government as forming a practical means of complete adjustment of all existing differences with Colombia.

The program which the Minister laid before the Colombian Government in the tentative and informal manner indicated comprised the following points:

(1) That if Colombia would ratify the Root-Cortés and Cortés-Arosemena treaties as they stood, the United States would be willing to sign an additional convention paying to Colombia $10,000,000 for a permanent option for the construction of an interoceanic canal through Colombian territory and for the perpetual lease of the islands of St. Andrews and Old Providence. In the event that the Colombian Government felt that on account of their relationship with Panamá there existed difficulties in which they might desire the assistance of the United States the Minister was to intimate that there might be added a stipulation that the United States would be willing to use its good offices with the Government of Panamá for the purpose of securing an amicable adjustment by arbitration or otherwise of the Colombia-Panamá boundary dispute and of any other matters pending between the two countries. Again, if such a proposal by Colombia seemed impossible the Minister was instructed to intimate that in addition to the foregoing the Government of the United States would be willing to conclude with Colombia a convention submitting to arbitration the question of the ownership of the reversionary rights in the Panamá Railway, which the Colombian Government asserts that it possesses, and looking to proper indemnity should the Colombian contention be sustained.

(2) In the event that the Colombian Government should be strongly averse to making a proposal involving the ratification of the Cortés-Arosemena treaty with Panamá, then the Minister was to intimate that this Government would be willing to consider the foregoing proposal, even with certain amendments. These amendments were to be: First, the addition of a protocol whereby the United States would undertake to use its good offices on behalf of Colombia in the adjustment of boundary questions between it and Panamá; and, second, a convention whereby the Root-Cortés treaty between Colombia and the United States should be amended to the extent of eliminating its interdependence upon the Cortés-Arosemena treaty while preserving to Colombia the important advantages it would give that country in reference to the use of the Panamá Canal—one effect of this charge [change?] being that Colombia would have either definitively to

forego the payment of $2,500,000 to be made it under the original tripartite arrangement, or at least to forego such payment until such future time, if ever, when the Colombian Government might find it convenient to ratify the Cortés-Arosemena treaty.

The Minister returned to Bogotá on January 15, 1913, and at once proceeded to carry out his instructions.

The foregoing constituted the complete program of the extreme limits to which, in the judgment of the Department, the Government of the United States would be justified, from any point of view, in going in the rather extraordinary efforts thus undertaken to eliminate once for all all causes of friction, whether justified or not, between the two countries.

The lease of Colombia's rights in two small Caribbean Islands was included as a possible safeguard in the matter of canal defense and for the purpose, regardful of Colombia's dignity, of clothing the discussion with a larger aspect of mutuality of consideration. The option for an interoceanic canal through Colombian territory where there has been, from time to time, recrudescent discussion of such a possible canal project in the Atrato region was introduced in accordance with the same policy which actuated the Government of the United States in encouraging the recent convention with Nicaragua, although the probability of such an undertaking in that region is regarded as far more remote than is true with reference to the Nicaraguan route. In pursuance of the same broad policy of setting at rest once for all all talk of any rival interoceanic canal not controlled by the United States, the Department was convinced of the desirability of such a convention, which, like the lease of the islands above mentioned, offered further opportunity to give semblance of consideration for the payment proposed.

The remainder of the program is quite simple and offers to give to Colombia all the advantages given by the tripartite treaties and in a manner most considerate of the present Colombian feeling toward the Republic of Panamá, while, at the same time, as is of paramount necessity, jealously guarding the fixed rights and interests of the United States, which, of course, could not be permitted to be called in question.

On January 20, Mr. Du Bois had a preliminary conversation with the President of Colombia and informally discussed with him the first alternative of the program, viz, that including the ratification by Colombia of the tripartite treaties. He was informed by the President that he could not and would not consent to recommend to the Colombian Congress ratification of the Arosemena-Cortés treaty. In reply to an inquiry from the Minister whether he should proceed to offer the second alternative, he was informed by the Secretary of State that he could do so if and when he was absolutely satisfied that the decision of the Colombian President was final, it being understood that the United States could not consider any other or further concession than indicated in the second form of the program.

The Minister then proceeded further with his conversations, and on January 27, 1913, telegraphed to the Secretary of State that the proposition for the perpetual lease of the islands of Old Providence and St. Andrews was embarrassing to the Colombian Government, being regarded as practically a sale of the islands, which could not

be ratified. Inquiry was made by the Minister for his information and guidance whether a liberal option for coaling, airship and wireless stations on one or both of the islands, together with a 60-year option on the Atrato canal route would be acceptable to the United States. The Minister in reply was cautioned to avoid making any proposals, which should logically come from the Government of Colombia, but was informed that if he could assure the Department of State that that Government would accept and the Colombian Congress ratify the agreement, without seeking any additional concessions, should this Government be willing to accept coaling stations instead of the perpetual lease of the islands, the proposal would be considered. With respect to placing a time limit on the canal-route option he was instructed that he should discourage positively any thought on the part of Colombia that a 60-year term would be acceptable if the United States were to pay any such figure as was named in his instructions.

The next information received from the Minister was contained in a telegram, dated January 31, 1913, and was to the effect that the Colombian Government seemed determined to treat with the incoming Democratic administration.

These friendly, considerate, and conciliatory efforts to put the relations between the United States and Colombia on a more cordial basis having thus failed, the Minister at Bogota was instructed by telegraph on February 7, 1913, to drop the matter after communicating to the Colombian President a personal note as follows:

> Although your excellency will doubtless appreciate that those intimations which I have been able to give of the nature of a proposal which, if made by Colombia, would be considered by my Government naturally had reference only to the time at which I had the honor to make them, nevertheless, in order to avoid even a remote possibility of misunderstanding, I am directed to make it entirely clear to your excellency that nothing which has transpired in these purely personal and informal conversations is to be regarded as any indication of what may be the future disposition of the Government of the United States or as committing my Government in any respect whatever, my efforts to arrive at some definite conclusion having, to my regret, come to naught.

The Minister has informed the Department that after final discussion he has presented a note in the above sense.

The most recent telegrams from the Minister show that quite aside from his instructions and acting upon his personal responsibility, Mr. Du Bois, as a matter of curiosity, sounded the Colombian Government still further in order to elicit a clearer idea of its pretentions. it was intimated to the Minister that if the Colombian Government would make proposals in accordance with his informal suggestions a revolution would, in its opinion, result.

Continuing in his evident personal desire to sound, if possible, the limits of Colombian pretensions, the Minister also inquired whether an offer of $10,000,000 without the considerations which had been suggested would be acceptable. To this he was informed that it would not; that all his suggestions fell short by far of what Colombia could accept. To his inquiry, what terms Colombia would accept, the reply was: "The arbitration of the whole Panama question or a direct proposition from the United States to compensate Colombia for all the moral, physical and financial losses sustained by it because of the separation of Panama." This, it was intimated, was the last word of the Colombian Government.

The very latest telegram from Mr. Du Bois shows that in a subsequent interview he took it upon himself informally to ask whether if the United States should, without requesting options or privileges of any kind, offer Colombia $25,000,000, its good offices with Panama, the arbitration of the question of reversionary rights in the Panama Railway, and preferential rights of the canal, the Government would accept; to which he was answered in the negative.

Included in this most recent telegraphic correspondence is a statement of the impression of the Legation at Bogota that the Colombian Government cherishes the expectation that the incoming administration will arbitrate the entire Panama question, or will directly compensate Colombia for the value of the territory of Panama, the Panama Railway, the railroad annuities, and the contract with the French Canal Company.

I merely mention the results of these personal inquiries made by Mr. Du Bois, as I have said, in his personal capacity and without any authority, because they throw so much light upon the Colombian obsession with regard to this whole subject. This attitude resulting in the rebuff of generous overtures by the United States is undoubtedly due in a great measure to a radical misconception of real public opinion in the United States, engendered probably by reiterated criticism in certain uninformed quarters leveled at the policy of this Government at the very time it was bending every effort to adjust its relations with Colombia and required for such adjustment an atmosphere of calm instead of one of captious attack and unreasoning encouragement of an arbitrary attitude on the part of the foreign country with which it was dealing.

Feeling that this Government has made every effort consistent with the honor, dignity, and interests of the United States in its sincere aim to bring about a state of better feeling on the part of the Government of Colombia, it is with regret that I have to report that these efforts are thus far still met by a desire for impossible arbitrations, and so have proved unavailing unless, indeed, they may yet prove fruitful in the course of time of a more reasonable and friendly attitude on the part of Colombia.

Meanwhile, the Government of Colombia would appear to have closed the door to any further overtures on the part of the United States.

Respectfully submitted.

P. C. KNOX.

DEPARTMENT OF STATE,
Washington, February 20, 1913.

File No. 711.21/142.

The Minister of Colombia to the Secretary of State.

[Translation.]

No. 11.] LEGATION OF COLOMBIA,
Washington, February 28, 1913.

EXCELLENCY: I have the honor to inform your excellency that, according to information which I have just received from my Government, the bases proposed by Mr. DuBois and the minutes of the

last conference between the Plenipotentiary of the United States and the Minister for Foreign Affairs, Doctor Urrutia, were published today in Bogotá. Doctor Urrutia stated in the said minutes, in the name of the Government of Colombia, that, as the said bases were unacceptable, if it was not possible to obtain by direct negotiation the moral and material reparation which the country demands with perfect justice, no recourse remained except arbitration for the settlement of the question pending between Colombia and the United States.

Mindful of the solemn declaration which the illustrious Mr. Taft as well as his worthy Secretary of State and other eminent personages of this great country have made in favor of arbitration as a means of settling, in civilized countries, international differences of any character whatsoever, my Government hopes that when this means shall have been adopted the good friendship that for so many years existed between Colombia and the United States will soon be reestablished.

Sincerely hoping that we may soon obtain this result, of interest to all America, I renew to your excellency the assurances of my highest and most distinguished consideration.

JULIO BETANCOURT.

File No. 711.21/142.

The Secretary of State to the Minister of Colombia.

DEPARTMENT OF STATE,
No. 5.] *Washington, April 15, 1913.*

SIR: I regret to inform you that your note dated February 28, 1913, in regard to the solution of the difficulties unhappily existing between the United States and the Republic of Colombia, has, owing to the pressure of business incident to the change of administration, but recently come to my notice.

In reply I have the honor to inform you that pending a full study of this matter, which will be made at the earliest available moment, it will not be possible for me to enter into a discussion in regard thereto.

Accept, Sir, the renewed assurances of my highest consideration.

W. J. BRYAN.

File No. 711.21/169.

The Minister of Colombia to the Secretary of State.

[Translation.]

No. 16.] LEGATION OF COLOMBIA,
Washington, May 3, 1913.

EXCELLENCY: I have the honor to acknowledge the receipt of your excellency's polite note dated the 15th ultimo,[1] in which, referring to the questions of the highest importance unhappily pending be-

[1] Not printed.

tween Colombia and the United States, your excellency is pleased to say:

"* * * I have the honor to inform you that pending a full study of this matter, which will be made at the earliest available moment, it will not be possible for me to enter into a discussion in regard thereto."

It is very natural for the new administration to desire to make a full and fundamental study of the antecedents of the said questions so as to obtain, from its own point of view, elements of judgment that will not be vitiated by passion or the influences of a system different from that which, as regards a policy with the Latin American Republics, the present administration has formed the wise purpose to establish.

Hoping to facilitate that study, my Government directs me to lay before your excellency a statement of the case in the light of facts fully demonstrated, so that your excellency may see that the differences between the two countries lie in the interpretation of the Treaty of 1846 and that none of the pending questions can involve, for the United States, matters of honor or vital interests which nations as a general rule refuse to refer to arbitration, even though that civilizing remedy may have already been advocated by eminent American statesmen, and among them ex-President Taft, as the means of settling all international disputes whatever.

Both the people and Government of Colombia have experienced profound satisfaction on hearing of the very noble purposes that animate your excellency to cultivate relations of sincere friendship with the Republics of Latin America by means of an elevated and just policy, of which your excellency had already given the formula in that beautiful sentiment of yours: "The Lord has made us neighbors; let Justice make us friends."

Who will deny that the beginning of a new era of justice must be marked by giving to my country the reparations that are her due? Her cause is eminently just. Colombia wants the fulfilment of sacred obligations assumed in a solemn compact, that of 1846, and bases that claim on a fundamental postulate of the law of nations which declares all states, whether great or small, to be equal in the family of nations. It may be said that Colombia's is a typical case in the international life of the world of Columbus, for according as it shall be decided will it be demonstrated whether or not the great Republic proposes to uphold, in its relations with the American States, the fundamental principles of international law.

A happy day for civilization was that in which the President of the United States, after declaring that "the time has come to take a step that may bring into play the good will and effective cooperation of all the nations of the western hemisphere, north and south, in the service of mankind and for the common good of the peoples," invited "all the independent countries of North and South America to attend a general congress that would meet on the twenty-fourth of November 1882 to consider and discuss the means of preventing war among the nations of America." The good work, thus started, was given great impetus when, on September 3, 1890, President Harrison said to Congress:

I send with this message a letter from the Secretary of State in which he incloses three resolutions adopted by the Conference of American Nations which

recently met in Washington, relative to the question of international arbitration. The ratification of the treaties proposed in those very important resolutions would constitute one of the most happy and hopeful incidents in the history of the western hemisphere.

The delegates of North, Central and South America assembled at the Conference unanimously declared that,

> Recognizing that the growth of the moral principles which govern political societies has created an earnest desire in favor of the amicable adjustment of international differences * * * solemnly recommend to all the Governments by which they have been accredited to conclude a uniform treaty of arbitration in the articles following:
>
> Article 1. The Republics of North, Central and South America hereby adopt arbitration as a principle of American international law for the settlement of differences, disputes or controversies that may arise between two or more of them.
>
> Article 2. Arbitration shall be obligatory in all controversies concerning diplomatic or consular privileges, boundaries, territories, the right of navigation and the validity, construction and enforcement of treaties.

It matters not, for the prevalence of those immortal principles, whether or not the treaties in which they were set forth went through the ratification or other customary formalities. Those principles in themselves, because of their high moral dignity, will ever be the guiding rule of every justice-loving mind and of all governments that desire to promote the peaceful and fruitful advance of civilization.

From the noble declarations you have made as a statesman, I know that your excellency professes these same principles to the fullest extent, recognizing the necessity of loyally applying [them] to the relations of this great Republic with Latin America. I hope therefore that the just claims of Colombia will be satisfied by the present Government of the United States.

On the basis of the principle above enunciated, it is necessary first to decide whether the differences existing between Colombia and the United States necessarily involve questions of validity, interpretation and enforcement of public treaties.

Among the jurists and statesmen of the United States there is not one of whom your excellency may have a higher opinion than [of] the Honorable Augustus O. Bacon, the present chairman of the Senate Committee on Foreign Relations, and in that capacity and as a jurist charged with the settlement of all cases of international law similar to that which forms the subject-matter of this note. I beg leave earnestly to call to your excellency's attention the famous speech delivered by Senator Bacon on the 29th of January, 1904, by which he proposed to demonstrate—and the demonstration reached the height of perfect evidence—that the solution of the differences unhappily existing between the United States and the Republic of Colombia necessarily involve the validity, interpretation and enforcement of the Treaty of 1846 between the two countries. In the development of his demonstration, Mr. Bacon said in the Senate:

> The Colombian Government, through General Reyes, says that the United States, by the use of their powerful squadron and by the use of their armed forces, prevented Colombia from using her forces to suppress the rebellion in Panama, and that in the absence of such intervention on the part of the United States and the protection thus given to the Panama revolution the rebellion would have been speedily suppressed, and that, in fact, it would never have taken place; and that by reason of such forcible action by the United States in aiding and protecting the revolutionists in Panama the Colombian Government

has been despoiled by that of the United States of its rights and sovereignty on the Isthmus of Panama, and that the United States are responsible for the dismemberment of the territory of Colombia.

Our Secretary of State, in his reply, admits that the United States protected the sovereignty of the Republic of Panama as against Colombia by armed force, and justifies the action under the Treaty of 1846 with Colombia, or New Granada which is the same thing. The contention of the Secretary is that whereas in the Treaty of 1846 the United States guaranteed the rights of sovereignty and property of Colombia in the Isthmus of Panama, so soon as Panama seceded and her independence was acknowledged all the rights of Colombia under that treaty inured to Panama, and that on the instant the United States became obligated by the treaty to protect the sovereignty of Panama in the entire Isthmus, even as against Colombia, with whom the treaty was originally made: that therefore the United States were justified in protecting the revolutionary government in Panama and in preventing by armed force Colombia from using her forces in suppressing the rebellion.

The clause in the Treaty of 1846 upon which the Secretary of State bases this contention is found in the thirty-fifth article and is as follows:

> And in consequence the United States also guarantee, in the same manner, the rights of sovereignty and property which New Granada (Colombia) has and possesses over said territory.

Under that clause of the Treaty of 1846 the Secretary contends that the United States were right in protecting the new Panama Republic against the effort of Colombia to suppress the rebellion which set it up. The statement made by him to this effect in the extract already quoted is as follows:

> In recognizing the independence of the Republic of Panama the United States necessarily assumed toward that Republic the obligations of the Treaty of 1846. Intended, as the treaty was, to assure the protection of the sovereign of the Isthmus, whether the government of that sovereign rules from Bogota or from Panama, the Republic of Panama, as the successor in sovereignty of Colombia, became entitled to the rights and subject to the obligations of the treaty.

From this it is seen that Colombia claims that the United States, by forcibly preventing Colombia from suppressing the rebellion, caused the dismemberment of her territory. The United States admit the protection of the Republic of Panama as against Colombia, and assert their duty so to do under the Treaty of 1846, and thus the issue is clearly joined between the two.

Upon this issue thus presented the question whether or not the contention of the Secretary of State is correct is a question as to the correct interpretation of the Treaty of 1846.

Now, the point I am coming to is this: The Senator from Wisconsin asked me whether that claim of Colombia on the one hand, and the contention of the United States on the other hand, constitute an issue which is a proper subject-matter of arbitration. I lay down this as a proposition, that the question of the proper construction of a treaty, including the question of whether there has been wrong done in the violation of a treaty, is a question which, above all questions, is recognized as the simplest and most natural question for treaty negotiation, for agreement, if possible, and for submission to other parties for decision if such agreement cannot be had. If there can be any successful dispute of that as a correct proposition I do not know where to find the basis upon which to rest the argument.

Mr. President, the Government of the United States makes no claim of any right in Colombia, makes no argument in justification of anything which has been done there, which is not based on rights, duties and powers under the Treaty of 1846. The whole question at controversy is one which grows out of the question of the construction of that treaty. The message of the President of the United States is one which bases the acts of the Government of the United States upon the construction of that treaty; every argument which has been made in this Chamber in defense of what has been done has been necessarily based upon the question of the construction of that treaty; every argument which assails or disputes the propriety of the action which has taken place is based on the question of the construction of that treaty, and the question of the construction of a treaty is of all questions one which is a proper subject-matter of adjudication and arrangement either by agreement of the parties or by arbitration where such agreement cannot be reached.

I repeat the proposition in brief. My proposition is that these documents contained in the communication sent to us by the President, show that there is a controversy between the United States and Colombia, and that even if for the

purposes of the argument we admit that there is no sound basis for the claim of Colombia it is nevertheless a controversy, and the fact is plain that that controversy grows out of the construction of the Treaty of 1846.[1]

In the memorable speech I have just transcribed the present Chairman of the Senate Committee on Foreign Relations has put in evidence, so clearly that nobody can ever deny them, the following facts:

1. That the controversy existing between Colombia and the United States deals, in its entirety and in all of its juridical aspects, with the interpretation of the Treaty of 1846.

2. That the interpretation of that treaty constitutes an eminently proper subject-matter of arbitration.

3. That the contention that the pending controversy involves, for the United States, vital questions of "interest and honor" that cannot be referred to arbitration is a mere pretext without any reasonable foundation.

Senator Bacon did not choose to touch upon the solution of the problems involved in the correct interpretation of the Treaty of 1846; he advanced no opinion whatever about them, for he said that it was for the arbitrator to solve them.

In compliance with the instructions that my Government has been pleased to give me, I will now lay before your excellency a brief statement of the antecedents, as they are recorded in the true history and in authentic documents, of that grave event which for a number of years past has been keeping the Colombian people in a most painful state of mind.

At the very dawn of her freedom, before the confusion of that great war of Independence had been dispelled, Colombia endeavored to cultivate the most cordial relations of friendship with Washington's noble country, the first-born child of Democracy in America, that to her sisters in the South was the pole star which was to guide them, by great examples of honor, purity and justice, to the attainment of high destinies.

I beg your excellency to be pleased to look over the set of public treaties of the United States I shall have occasion to cite in the course of this note. Your excellency will find in the first of those treaties, which was signed in 1824 by the two countries, the spirit of true friendship and genuine confidence that animated Colombia toward this great Republic. Those were always Colombia's feelings for the United States until one of its Presidents decided, as he publicly and deliberately confessed, to take the Isthmus of Panama, in flagrant violation of the Treaty of December 12, 1846, which placed upon the United States the formal obligation to New Granada (as Colombia was named) to uphold her rights of sovereignty and property over the Isthmus which Mr. Roosevelt took, in disregard of the express covenant and also of the powers and prerogatives of the American Legislature.

Vindication of the act has been sought in the sophism, above referred to by Senator Bacon, that the Treaty of 1846 had for its object, not what its very text says and clearly reveals to be the intentions of the contracting parties, but solely "to assure the protection of the sovereign of the Isthmus, whether the government of that sovereign

[1] For the entire speech delivered by Senator Bacon in the Senate on January 29, 1904, see Congressional Record, 58th Cong., 2d sess., Vol. 38, pp. 1366 et seq. This passage is on pp. 1376–1377.

rules from Bogota or from Panama." Rules of juridical interpretation justifying so arbitrary a construction of Article 35 of that treaty, whose existence and binding force are admitted by the United States, cannot be found. Nor is it necessary for a correct interpretation to resort to the grammatical, logical, historical and systematic criteria discussed by writers on international law; it is enough to read in good faith the text of that article which is worded as follows:

Art. 35. The United-States of America and the Republic of New Granada desiring to make as durable as possible the relations which are to be established between the two parties by virtue of this Treaty, have declared solemnly, and do agree to the following points.

1st. For the better understanding of the preceding articles, it is and has been stipulated between the high contracting parties, that the citizens, vessels and merchandise of the United States shall enjoy in the ports of New Granada, including those of the part of the Granadian territory generally denominated Isthmus of Panama, from its southernmost extremity until the boundary of Costa Rica, all the exemptions, privileges and immunities concerning commerce and navigation, which are now or may hereafter be enjoyed by Granadian citizens, their vessels and merchandise; and that this equality of favors shall be made to extend to the passengers, correspondence and merchandise of the United States, in their transit across the said territory, from one sea to the other. The Government of New Granada guarantees to the Government of the United States that the right of way or transit across the Isthmus of Panama upon any modes of communication that now exist, or that may be hereafter constructed, shall be open and free to the Government and citizens of the United States, and for the transportation of any articles of produce, manufactures or merchandise, of lawful commerce, belonging to the citizens of the United States; that no other tolls or charges shall be levied or collected upon the citizens of the United States, or their said merchandise thus passing over any road or canal that may be made by the Government of New Granada, or by the authority of the same, than is under like circumstances levied upon and collected from the Granadian citizens; that any lawful produce, manufactures or merchandise belonging to citizens of the United States thus passing from one sea to the other, in either direction, for the purpose of exportation to any other foreign country, shall not be liable to any import-duties whatever; or, having paid such duties, they shall be entitled to drawback upon their exportation; nor shall the citizens of the United States be liable to any duties, tolls or charges of any kind to which native citizens are not subjected for thus passing the said Isthmus. And, in order to secure to themselves the tranquil and constant enjoyment of these advantages, and as an especial compensation for the said advantages and for the favors they have acquired by the 4th, 5th and 6th articles of this Treaty, the United States guarantee positively and efficaciously to New Granada, by the present stipulation, the perfect neutrality of the before-mentioned Isthmus, with the view that the free transit from the one to the other sea may not be interrupted or embarrassed in any future time while this Treaty exists; and in consequence the United States also guarantee, in the same manner, the rights of sovereignty and property which New Granada has and possesses over the said territory.

2d. The present Treaty shall remain in full force and vigor for the term of twenty years from the day of the exchange of the ratifications; and from the same day the Treaty that was concluded between the United States and Colombia on the third of October, 1824, shall cease to have effect, notwithstanding what was disposed in the first point of its 31st article.

3d. Notwithstanding the foregoing, if neither party notifies to the other its intention of reforming any of, or all, the articles of this Treaty twelve months before the expiration of the twenty years stipulated above, the said Treaty shall continue binding on both parties, beyond the said twenty years, until twelve months from the time that one of the parties notifies its intention of proceeding to a reform.

4th. If any one or more of the citizens of either party shall infringe any of the articles of this Treaty, such citizens shall be held personally responsible for the same, and the harmony and good correspondence between the nations shall not

be interrupted thereby; each party engaging in no way to protect the offender, or sanction such violation.

5th. If unfortunately any of the articles contained in this Treaty should be violated or infringed in any way whatever, it is expressly stipulated that neither of the two contracting parties shall ordain or authorize any acts of reprisal, nor shall declare war against the other on complaints of injuries or damages, until the said party considering itself offended shall have laid before the other a statement of such injuries or damages, verified by competent proofs, demanding justice and satisfaction, and the same shall have been denied, in violation of the laws and of international right.

6th. Any special or remarkable advantage that one or the other power may enjoy from the foregoing stipulation are and ought to be always understood in virtue and as in compensation of the obligations they have just contracted and which have been specified in the first number of this article.

As clearly stated in the first paragraph of the inserted article, the United States guaranteed not any sovereignty that might impose itself on the Isthmus but, as the quoted text says, "the rights of sovereignty and property which New Granada (now Colombia) has and possesses over the said territory." And this solemn promise in which the United States pledged their public faith was not an onerous obligation nor a gratuitous protection of the rights of Colombia. On the contrary, the promise of guaranty was set down as a compensation, *in payment* of the immense advantages secured by the United States from Colombia through that treaty.

Your excellency is perfectly conversant with the history of your country and it is therefore needless to undertake to demonstrate to you that the great development of California and all the Western States was mainly due to the free and untrammeled transit across the Isthmus of Panama which, in return for the aforesaid guaranty, the United States secured in virtue of the Treaty of 1846.

In submitting that international pact to the approval of the Senate, President Polk said, with reference to Article 35: "The importance of that concession to the commercial and political interests of the United States cannot easily be surpassed."

In truth no other international pact can be found with so great advantages and benefits for one of the contracting parties as those which were secured by the United States and conceded by Colombia with the main object of gaining a substantial guaranty of her unquestionable rights of sovereignty and property over the Isthmus of Panama. Such was, on Colombia's part, the goal she had in view, the intention she harbored in concluding the Treaty of 1846.

But on the part of the United States, as appears from the texts inserted in this note, a different interpretation of the said pact has been advanced: hence the necessity of resorting to an arbitral tribunal to let it solve in the light of the law and decide the true interpretation of the Treaty of December 12, 1846. This was demonstrated with perfect clearness in the luminous speech delivered in the American Senate on January 29, 1904, by the Honorable Augustus O. Bacon, to which I have referred by quoting it in this note. There is also no doubt that there is, in the present case, no plausible exception that can be taken to arbitration on the part of the American Government. Quite to the contrary, there are precedents in which the United States accepted arbitration for the settlement of similar questions, as shown by the Treaty of 1863 with England and the Geneva Arbitration. The memorable Alabama case also supplies

decisive arguments to show how the American Government always upheld and practiced the principle of international arbitration, one of the great and transcendent conquests of civilization.

The United States, keeping faith with the great deeds of its own history, signed the Convention of The Hague of October 18, 1907, for the peaceful settlement of international disputes, and, under Article 38 of that convention, all disputes over the interpretation, execution and violation of public treaties must be submitted to arbitration. This was precisely the civilizing doctrine always upheld by the United States and professed by its most notable jurists in accordance with the noble spirit of the American people. The same doctrine, which now has the approval of the civilized world, has been solemnly advocated by the Presidents of the United States, at all times, and even by Mr. Roosevelt who, speaking of international arbitration, said:

> The interpretation of a treaty is preeminently a subject-matter of arbitration when the contracting parties do not agree on its true meaning. Generally that interpretation is a judicial act of the class especially proper for submission to an arbitral tribunal. (The Outlook; October 14, 1911.)

By virtue of the foregoing, my Government hopes that your excellency's Government will agree to submit to The Hague Tribunal the questions pending between Colombia and the United States, so that they may be determined by a final award.

In conclusion I beg your excellency to deign to read the Legation's notes dated October 21, 1905[1] and November 25, 1911[2] that have never been answered by the Department of State.[3]

I gladly avail [etc.]

JULIO BETANCOURT.

File No. 711.21/169.

The Secretary of State to the Minister of Colombia.

DEPARTMENT OF STATE,
Washington, July 18, 1913.

SIR: Referring to your note of May 3d last, I am directed to say that this Government prefers to postpone, for the present, the consideration of the question of arbitration, in the hope that by direct negotiations the matter in dispute between us may be satisfactorily adjusted. I have been in conference with Mr. Hannis Taylor, the counsel and legal adviser of the Republic of Colombia, in regard to this matter, and shall be pleased to take the subject of direct negotiations up with you or him, jointly or severally.

Our nation has its own honor at stake in all matters which involve fair dealing toward other nations, and I speak for the President and, I am sure, for the whole people, as well as for myself, when I express the earnest desire that we may be able to remove every obstacle that stands in the way of perfect confidence and free intercourse between the two nations.

I take [etc.]

W. J. BRYAN.

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[1] See For. Rel. 1906, pp. 412–419.
[2] See ante.
[3] The note of October 21, 1905, was answered by the Secretary of State on February 10, 1906; this answer immediately follows the note itself in For. Rel. 1906, pp. 419–421.

File No. 821.032/4.

Message of President Don Carlos E. Restrepo to the Colombian Congress, July 20, 1913.

[Extract—Translation.]

In the memorial of the Minister for Foreign Affairs and in the annex thereto you will find a detailed statement of the memorandum[1] presented by Mr. J. T. Du Bois, Minister of the United States to our country, regarding bases for a statement with that country; also the minutes of the conference of February 15th of this year between the said Minister and the Minister for Foreign Affairs of Colombia.[2] These most important documents are already known to our compatriots, and you will appraise them with all patriotism.

The Government of Colombia, for its part, deemed itself compelled to refuse these arrangements, in the belief that they were not in conformity with the sentiments of reparation and justice held by the nation.

In spite of the fact that this conference was declared to be informal by the American Minister, the President of the United States presented in his message of March 1st of this year to the Senate the report of the Secretary of State, which contains an account of the refusal of the propositions.

As the Government of Colombia did not find entirely exact the statement of historic facts presented by Mr. Knox, its Minister at Washington was instructed to make the necessary rectifications, which was duly done.

The advent of the new administration in the United States under leadership of two eminent persons, Messrs. Wilson and Bryan, caused the Colombian people to conceive great hopes that with their friendly support we should receive at an early date complete compensatory justice. As reasons for this flattering hope great weight is attached to the appointment of Mr. Thompson as Minister of the American Government to that of Colombia, as we have received the highest recommendations regarding this meritorious citizen; also the conduct of notable North Americans, like Senator Hitchcock and Representative Rainey, who have presented to the Congress of their country very significant resolutions which tend to favor the cause of justice and of Colombia.

We are awaiting the arrival of Mr. Thompson, confident that before the close of the sessions of this Congress, there will be submitted to your consideration the means of coming to a perfect understanding with the American Government.

The probability that the Isthmian Canal will shortly be ready for service, the desirability of cultivating frankly cordial relations with the United States, the conspicuous development and progress of our nation and the special requirements of our maritime provinces, render every day more imperative an understanding with the great Republic of the North.

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[1] Inclosure 2 with the Minister's despatch No. 135 of February 5, 1913; see ante.
[2] Inclosure with the Minister's despatch No. 141 of February 28, 1913; see ante.

File No. 721.000/4 (p. 21); 721.000/5 (pp. 238, 244, 248 and 253).

Memorial of the Minister for Foreign Affairs to the Colombian Congress, July 20, 1913.[1]

[Translation of the passage relating to the United States.]

UNITED STATES.

During the last days of February, at the time when the administration presided over by Mr. William H. Taft was drawing to its close, the Minister Plenipotentiary of the Republic in Bogotá, James T. Du Bois, presented to the Government of Colombia the document which, owing to its importance, I take the liberty of quoting at length:

MEMORANDUM PRESENTED BY HIS EXCELLENCY THE MINISTER OF THE UNITED STATES OF AMERICA TO THE GOVERNMENT OF COLOMBIA.

[Text.[2]]

The Government of Colombia confirmed the refusal already given by my predecessor, Doctor Pedro M. Carreño, to the proposals of Mr. Du Bois. The reasons on which our reiterated refusal was based are stated in the minutes of the conference, which I likewise find desirable to quote here in their entirety:

MINUTES OF THE CONFERENCE BETWEEN THE MINISTER FOR FOREIGN AFFAIRS OF COLOMBIA AND THE MINISTER OF THE UNITED STATES OF AMERICA CONCERNING THE ABOVE MEMORANDUM.

[Text.[3]]

In the annex to this memorial [File No. 721.000/5; p. 233] you will find the text of the note from the Plenipotentiary of Colombia, General Pedro Nel Ospina, to the Secretary of State, dated the 25th of November 1911,[4] a very important document in our diplomatic history and which in a very precise manner condenses the national opinion of Colombia, which was faithfully recited previously in the Memorial of Grievances presented at Washington just after the spoliation of Panamá, and in the notes of the Plenipotentiary of Colombia, Dr. Diego Mendoza Pérez.[5] The formal [sic] reference made to the note of General Ospina in the minutes of the conference with Mr. Du Bois, inserted here, and the character of the said conference, render unnecessary, in order to corroborate the request for arbitration, the extensive repetition of antecedents and causes which have been already stated so brilliantly in the above-mentioned docu-

[1] Transmitted by the American Minister with his despatch 194 of July 31, 1913.

[2] The text is that contained in File No. 721.000/5 at page 248; that is, the English text that was published in Colombia; and although not identical with the original presented by the American Minister (see ante, p. 291) the variations are due only to the use by the Minister for Foreign Affairs of a translation into English of a Spanish version instead of the insertion of a copy of the English original; the purport of the text used is the same as that of the original.

[3] The text is that contained in File No. 721.000/5 at page 253 et seq., which is the English text published in Colombia; and although not identical with the translation furnished to the Department by the American Minister (see ante, p. 294) the variations are due only to the independence of the two translations of each other, the content being substantially the same in both.

[4] Printed ante, p. 284.

[5] For. Rel. 1906, p. 412.

ments. These antecedents and reasons have by their very nature been already confirmed by many pages of the diplomatic history of the United States of America, which show how that Republic had solemnly accepted arbitration for the settlement of disputes of a political and international order, as were those submitted on a memorable occasion to the Geneva Arbitration in 1871, in relation to acts analogous to those forming the basis of our protests, by the two great nations of the Saxon world.

The rejection of the propositions of the United States Plenipotentiary provoked the report which Secretary of State Knox presented to the Department of State [sic] on February 20th of this year. This report was transmitted by President Taft in his message of March 1st to the Senate and to the House of Representatives of the United States. It was greatly to be regretted that Mr Knox deviated on several points from the historic truth, in his statement of what had passed during the last ten years between Colombia and the United States. This circumstance obliged the Government of Colombia to instruct our Minister at Washington to make the necessary rectifications before the Department of State. This had already been done in another form, in a letter of the Consul General of Colombia in New York, which was given wide circulation by the American press.

After the rejection by the Government of Colombia of the proposals of the Plenipotentiary of the United States of America, certain acts of an important character have taken place in that country which may be the forerunners of a policy of justice and reparation to Colombia.

On the 4th of March of this year there again came into power the Democratic party, which has always prided itself on continuing the honorable international traditions of the founders of the Republic of the North and which has unceasingly condemned the imperialistic practice which culminated in the spoliation of Panama. That party returned to power under the leadership of a scholar and magistrate of beneficent antecedents whose repeated declarations show him to be a partisan of the cause of social and international justice. At his side and in the high office of Secretary of State will stand Mr. Bryan whose prestige among the nations of this continent is derived from his lofty and just declarations and from his adherence to those principles which he is now in a position to practice and to affirm through the high authority with which he is invested.

Among the men of his party are to be found those who in Congress, in the press, in seats of learning, etc., have protested unceasingly against the offenses committed on Colombia and have demanded the reparation that is due her. These are circumstances which indicate that reparation in the form demanded by the Colombian people may be about to be granted us. It does not seem possible that those who have acted in this manner up to this date, can, after they have become members of the Government of the United States or exercise a decisive influence thereon, remain unmoved and permit the opening of the Panama Canal, a work so important in human progress, to signalize, from the point of view of international morality, the confirmation of a spoliation which signifies so lamentable a retrocession to the empire of force.

Although a painful experience shows us the precise limits in international affairs of even our flattering hopes, the truth is that nothing could be more significant as a favorable presage of a possible reparation for Colombia by the United States, than the presentation of bases for a general treaty by Secretary of State Bryan to the Committee on Foreign Affairs of the Senate. Those bases are as follows:

The parties hereto agree that all questions of whatever character and nature in dispute between them shall, when diplomatic efforts fail, be submitted for investigation and report to an international commission (the composition to be agreed upon); and the contracting parties agree not to declare war or begin hostilities until such investigation is made and report submitted.

The investigation shall be conducted as a matter of course upon the initiative of the commission, without the formality of a request from either party: the report shall be submitted within (time to be agreed upon) from the date of the submission of the dispute, but the parties hereto reserve the right to act independently on the subject matter in dispute after the report is submitted.[1]

Undoubtedly these bases comprise an important beginning in favor of international justice, and their acceptance, which apparently will be general, will become an effective guaranty for the weak nations. If, as indicated in the above-mentioned bases, the questions relating to the separation of Panama between Colombia and the United States had been submitted to investigation and report by an international committee, we should have had the way paved to a considerable extent for the reparation which we seek, because this investigation has been and continues to be implicitly demanded by Colombia in soliciting an international arbitration.

I must also mention, as significant proof of the sentiment of notable North American citizens, the resolutions introduced in the Senate and in the House of Representatives of the United States, relating to the pending questions between Colombia and the latter nation which propositions render their authors, Senator Hitchcock and Representative Rainey (you already know of the action taken by the latter some time ago) worthy of our gratitude. The proposition of Senator Hitchcock, unanimously approved by the American Senate on the 16th [15th] of April last, reads as follows:

[Text of Senate Resolution.] [2]

The resolution presented by Representative Rainey on April 23rd to the House, and which was referred to the Committee on Foreign Affairs, is as follows:

[Text of House Resolution.] [2]

On the 3rd of May of this year our Plenipotentiary at Washington, Mr. Julio Betancourt, presented to the Department of State the note [3] which you will find in the Annex to this Memorial.[4] By means of this carefully considered and deliberately written document, as you will see, our just demand for arbitration was again laid before the new administration of the United States.

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[1] This is the "Peace Plan of the President" as submitted on April 24, 1913, by the Secretary of State to the diplomatic representatives at Washington; see Circulars, p. 8 of this volume.

[2] Not printed.

[3] See ante, p. 309 et seq.

[4] File No. 721.000/5, p. 262.

The Government of the United States has appointed as Minister Plenipotentiary to Colombia in the place of Mr. James T. Du Bois, Mr. Thaddeus A. Thomson, a distinguished member of the American Democratic party. It is to be presumed that the new American Plenipotentiary will come provided with full powers and instructions to treat here the pending questions and to find a solution which, in any case, the Government will require to be decorous and appropriate.

The resolutions approved by the Departmental Assemblies in their last sessions, growing out of the refusal given by the Government to the Du Bois propositions, and other similar expressions of approval show that the national sentiment was truly interpreted in making that rejection. Now, in the expectation of new proposals, I can say to you that the Government is convinced of the necessity of reaching an early, friendly and decorous solution of the questions existing between Colombia and the United States. I may, however, also quote the words of my predecessor, Doctor José M. González Valencia, in his memorial of last year, as follows:

> If the occasion should arise, the Government is determined to proceed in this question in harmony with the genuine national sentiment and in accord with the Legislative Chambers, whose assistance is indispensable for the satisfactory settlement of a negotiation of this nature.

File No. 711.21/191.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, September 29, 1913.

The Department has received your form of offer[1] and substitutes the following by direction of the President. You will submit it immediately to the Colombian Government.

> The Government and people of the United States sincerely desire that everything that may have marred or seemed to interrupt the close and long-established friendship between the United States and the Republic of Colombia should be cleared away and forgotten. My Government therefore desires now to set at rest once and for all the differences that have arisen between it and the Government of the Republic of Colombia in connection with the question of the proper reparation for the losses, both moral and material, suffered by the Republic of Colombia by reason of the circumstances accompanying the acquisition of the rights now enjoyed by the United States on the Isthmus of Panama. I am therefore instructed to offer the sum of $20,000,000 in full settlement of all claims and differences now pending between the Government of Colombia and the Government of the United States and between the Government of Colombia and the Government of the Republic of Panama. I hope that this offer will prove acceptable to your excellency's Government, and
>
> I am [etc.]

BRYAN.

File No. 711.21/200.

No. 10.] AMERICAN LEGATION,
Bogotá, October 8, 1913.

SIR: In reference to your telegraphic instructions dated September 29, I have the honor to enclose herewith copies of the original Spanish

[1] Not printed.

text and English translation of the Minister for Foreign Affairs' note of the 6th instant in acknowledgment of mine dated October 1st, in which, pursuant to your instructions, I made a formal offer of twenty million dollars in full settlement of all our pending differences with Colombia, to include also any claims Colombia might have against the Republic of Panama.

I have reason to know that the terms in which my note was couched, made a most favorable impression upon the President, the Minister, and the Committee on Foreign Affairs.

With the help of the Committee and under the President's direction, the Minister will now proceed to draft a counter-proposition and in order that it may come as near being acceptable as possible to the Government of the United States, Dr. Urrutia will confer with me regarding the respective points to be contained therein.

I understand that the counter-proposition will consist of a note transmitting the essential conditions desired by Colombia in the form of a project for a treaty. This draft treaty will consist of at least four articles embodying the following cardinal points: one, moral reparation; two, preferential privileges in the Canal; three, fixation of boundary line; and four, money indemnification. In discussing these several features it will be my earnest endeavor to keep the Colombian demands within reasonable bounds.

I have [etc.]

THAD. A. THOMSON.

[Inclosure—Translation.]

The Colombian Minister for Foreign Affairs to the American Minister.

FOREIGN OFFICE,
Bogotá, October 6, 1913.

MR. MINISTER: I have the honor to refer to the courteous note of the first instant, by which your excellency has informed the Government of the Republic that the Government and the people of the United States desire that everything that may have marred or seemed to interrupt the friendship between the two nations should be cleared away and forgotten; that your excellency's Government therefore desires to terminate the differences which have arisen between it and the Republic regarding the reparation for the losses, both moral and material, which Colombia has suffered by reason of the circumstances accompanying the acquisition of the rights which the United States now enjoys on the Isthmus of Panamá; and that your excellency therefore offers in the name of your Government the sum of twenty million dollars in full settlement of all claims and differences pending between our two Governments and between the Government of the Republic and Panamá.

I have received instructions from His Excellency the President of the Republic to inform your excellency, as I have the honor now to do, that the Colombian Government duly appreciates the sentiments and desires of friendship and of justice expressed in your excellency's note.

In order to cooperate on its part in reaching that just and friendly settlement which is desired by your excellency's Government, my Government will proceed to communicate to your excellency, with the promptness and the attention which the matter requires, its ideas regarding the bases of a possible and convenient arrangement. One of these bases is the proper indemnity for damages and losses, which will be opportunely considered in connection with the other stipulations which the Republic deems necessary for the complete solution of the claims and differences to which your excellency refers.

The Colombian Government, in spontaneously concurring with that of the United States in favor of a direct settlement of this matter, hopes that it will prove feasible and effective and that in this way it will not be necessary to con-

tinue its efforts looking to the acceptance of other measures proposed by Colombia and which are still pending.

In expressing to your excellency these ideas and intentions of my Government, I have [etc.]

F. J. URRUTIA.

File No. 711.21/199.

The American Minister to Bogota to the Secretary of State.

[Telegram—Extract.]

AMERICAN LEGATION,
Bogotá, October 22, 1913, 7 p. m.

The Minister for Foreign Affairs has informally communicated to me the Colombian Government's ideas regarding bases for a settlement, with the request that I transmit them for your consideration and in order that through an exchange of views he may approximate as far as possible Colombia's desires to what the United States is prepared to grant, before he submits formal counter-proposition. The Minister emphasized the fact that they were not to be considered as unalterable conditions to a settlement.

These ideas are expressed in the form of a preamble to and four articles of a treaty and are as follows: [The text that follows is the same as that of the inclosure with the Minister's despatch No. 14 of October 23; see below.]

THOMPSON.

File No. 711.21/201.

The American Minister to the Secretary of State.

No. 14.] AMERICAN LEGATION,
Bogotá, October 23, 1913.

SIR: I have the honor to enclose herewith the English text of the draft preamble and articles for a treaty embodying the Colombian Government's ideas regarding bases for a settlement, which have been informally communicated to me by Dr. Urrutia in accordance with the statement made in his note of the 6th instant, a copy of which was transmitted to the Department with my despatch No. 10 of the 8th instant.

These ideas comprise the views of the Committee on Foreign Affairs, composed of representatives of all political parties, and may, therefore, be considered as interpreting faithfully every national aspiration.

While the ideas may be deemed to constitute Colombia's maximum desires, I feel convinced that she will accept considerably less.

Dr. Urrutia on several occasions during our conversation laid stress upon the fact that these desires were to be treated as an informal expression of views only and were to serve as a basis for discussion, in the hope that the two Governments might reach some mutually acceptable ground before he presented Colombia's formal counter-proposition.

I have used every effort to dissuade Dr. Urrutia from presenting, even informally, in my opinion such exorbitant desires, but he has

earnestly requested me to transmit them and I have thought it best to do so, although, when my views have been requested, I have not hesitated to state frankly that I thought no good purpose could be served in requesting greater preferential privileges in the use of the Canal than those enjoyed by the United States and United States commerce, nor a boundary other than that based upon the New Granadan law of June 9, 1855, nor a greater indemnity than one of 20 million dollars, in consideration of the foregoing concessions.

I sincerely trust that the Department will see its way clear to approve the phraseology of the preamble and of Article I, and especially that it will find it possible to accept the word "regrets," which I am convinced would go far towards rendering any terms acceptable to this Government and the people of Colombia.

I have [etc.]

THAD. A. THOMSON.

[Inclosure—Translation.]

Draft Treaty embodying Colombia's proposals.

The Republic of Colombia and the United States of America, desiring to put an end to everything which may impair the good understanding between the two nations; and wishing therefore to adjust the situation created by the political change which took place in Panamá in November 1903 and to regulate as well the rights and interests of both nations relating to the interoceanic canal which the Government of the United States is now constructing across the Isthmus of Panamá; and earnestly desiring to restore the reciprocal relations of their long and close friendship, have resolved for this purpose to conclude a convention and have accordingly appointed as their plenipotentiaries, etc.

ARTICLE I.

The Government of the United States of America, in its own name and in the name of the people of the United States, sincerely regrets and invites the Government and the people of Colombia to forget anything that may have occurred to mar or to interrupt the close and long established friendship existing between the two nations, and likewise desires now to set at rest once and for all the differences which have arisen between it and the Government of the Republic of Colombia in connection with the question of proper reparation for the losses both moral and material suffered by the Republic of Colombia by reason of the circumstances which produced the situation enjoyed by the United States in the Isthmus of Panamá.

On its own part, the Government of the Republic of Colombia, in its own name and in the name of the Colombian people, accepts this declaration, confident that every obstacle to the progress of friendly relations between the two nations will thus disappear.

ARTICLE II.

The United States grants to Colombia the following rights in the matter of transit via the Interoceanic Canal and the Panamá Railway:

1. Once the Canal is opened which is now in course of construction in the Isthmus, Colombia shall have the right in perpetuity to transport at all times by this route both its merchant ships and ships of war as well as its troops and materials for war without paying any duty to the United States, even in the case of an international war between Colombia and another nation.

2. Colombian products, whatever may be their destination, and merchandise destined to Colombian ports of the Atlantic or of the Pacific for consumption in Colombia, which pass through the Canal whether in national or foreign ships, as well as the Colombian mails or mails for Colombia, shall be free from all customs duties, tonnage dues, anchorage, lighthouse, wharf, pilot, quarantine dues, or any other duty or tax of every nature whatsoever, upon passing through the Canal; wherefore, after the respective invoices have been examined by the

Consul of the United States stationed at the port of their destination, that part of the toll corresponding to the said mails, products or merchandise, paid by the boat on passing through the Canal, shall be returned.

3. Colombian citizens shall be exempt from every toll, tax or duty whatsoever on crossing the Canal Zone, upon proving their nationality to the employees of the Canal.

4. The products of the soil and industry of the Republic of Colombia such as cattle, provisions, etc., shall be admitted to entry in the Canal Zone, as well as in the Islands and mainland auxiliary or accessory thereto, provided that they are for consumption therein, without paying other duties than those paid by similar products of the United States.

5. During the construction of the Canal and afterwards, whenever traffic thereby is interrupted or whenever it shall be necessary for any other reason to use the railway now existing or any other railway to be substituted therefor, the troops, materials for war, products, merchandise and mails mentioned in the preceding clauses shall be transported by said railway, paying only the same freight or dues which are paid by the troops, materials for war, products, merchandise and mails of the United States.

6. The officers, agents and employees of the Government of Colombia shall be entitled to free passage at all times upon said railway across the Isthmus of Panamá, upon proving their official character to the employees of the railway.

7. Colombian sea-salt and coal, destined to any Colombian port whatsoever and passing by the railway across the Isthmus of Panamá from one ocean to the other, shall be free of any charge except the actual cost of transportation and handling, not in any case to exceed one half of the lowest ordinary freight charges levied upon products of the United States passing over the said railway and in transit from one to another port of the United States.

ARTICLE III.

Colombian-Panamá boundary line to be the seventy-ninth longitude west of Greenwich.

ARTICLE IV.

Fifty million dollars as indemnity.

File No. 711.21/203.

The American Minister to the Secretary of State.

No. 15.] AMERICAN LEGATION,
Bogotá, October 25, 1913.

SIR: Referring to the Colombian Government's ideas regarding bases for a settlement of the questions now pending between this country and the United States, I have the honor to enclose herewith copy and English translation of memoranda, which were informally handed to me by the Minister for Foreign Affairs for my private information only. Dr. Urrutia said that they had been prepared by the Consultatory Committee of the Foreign Office and considered by the Committee in computing the size of the indemnity.

I have [etc.]

THAD. A. THOMSON.

[Inclosure 1—Undated Memorandum—Translation.]

The Minister for Foreign Affairs to the American Minister.

In order to fix the amount of the indemnity due to Colombia, amongst other things the following should be taken into account:

The reversionary rights in the Panamá Railway, which according to the official report of Senator Bristow amount to $16,416,000, from which there should be deducted a sum for advance payment.

The right possessed by Colombia to acquire the property of the Canal at the expiration of the 99 years of the concession, according to the contracts made with the Canal Company.

The right possessed by Colombia to receive during these 99 years an annuity of $250,000.

The right possessed by Colombia to receive during 33 years an annuity of $250,000, in accordance with the terms of the Panamá Railway contract.

The right to 8 annuities of $10,000 according to the terms of the contract with the Railway Company of 1880. These annuities are for the years between 1903 to 1910, which have not been paid to Colombia.

The value of the Isthmus of Panamá, in other words of the "richest province of Colombia" as stated by Sir William R. Scott, in his work "The Americans in Panamá."

[Inclosure 2—Undated Memorandum—Translation.]

The Minister for Foreign Affairs to the American Minister.

MONEY INDEMNITY.

Respecting this article[1] of the draft treaty a sum of fifty million dollars will seem very moderate if the following be taken into consideration: That

1. Colombia renounces the right to 66 annuities of $250,000 in the Panamá Railway and to her exclusive ownership thereof at the conclusion of the concession, which represents an enormous sum, according to the calculations of ex-Minister Du Bois.

2. Colombia renounces the right to 99 annuities of $250,000 according to the terms of the Canal Contract and to her reversionary rights in the work at the expiration of the 99 years of the concession.

3. Colombia renounces her participation in the indemnity mentioned in the last part of Article II of the contract of 1876.

4. Colombia gives up "her richest province," as stated by Mr. William R. Scott in his book "The Americans in Panamá" (1912): a territory which affords the unique passage of the world for joining the two oceans, and which forms one of the most beautiful, safe and capacious bays of the globe, the Almiranto Bay.

5. Thanks to its occupation of the Isthmus, the United States have been able to construct the Panamá Canal, far more advantageously, more economically and more productively than the Nicaragua or any other canal, as is shown by the report of Admiral Walker presented to the Washington Government on November 30, 1901. According to this report, the actual cost of building the Nicaraguan canal would have exceeded that via Panamá by $78,000,000, "without taking into consideration the cost of acquiring the last-named property." According to the same commission, "the Panamá Canal, after its completion, would be shorter, would have fewer locks and a lesser curvature than the Nicaragua Canal. We can gauge these advantages by the time necessary for a boat to make the transit, which is calculated for a ship of ordinary size at 12 hours for Panamá and 33 for Nicaragua."

In this regard two points should be also kept in mind: (a) that the occupation of the Isthmus by the United States permits of the opening of the Canal for traffic in 1914, thanks to the great works carried out there during a period of more than twenty years by the French company in accordance with its contract with Colombia; and that the Nicaragua canal, scarcely commenced, could only have been terminated many years later with an accompanying great industrial, economic and political loss to the United States; and (b) that the volcanic nature of Nicaragua and of Central America in general, would have endangered to a considerable degree the colossal work of the canal.

According to the Spooner Law of 1901, "if the President of the United States cannot acquire from the Republic of Colombia the control and territory for the opening of the Panamá Canal, he shall obtain it from Costa Rica and Nicaragua to construct it by the route known by this name."

It is well known that this provision of the Spooner law has not yet been carried out, and it is only by means of this arrangement, now being discussed, that

[1] Article IV.

the United States can legalize the acquisition of the control which was ordered by the Congress of that Republic;

6. By virtue of the treaty of Nov. 18, 1903, between the United States and Panamá, the Washington Government not only acquired the Canal Zone but also a multitude of other rights in the territory of that Colombian Department, which will never be perfected until the treaty now being discussed shall enter into force, and in the form established thereby.

7. Many voices in authority in the Congress of the United States, as that of Senator Bacon and that of Representative Lewis, have stated that the damages suffered by Colombia could not be indemnified by any sum less than one of $100,000,000 in gold;

8. As the Herran-Hay Treaty is still unratified, Colombia was certain to acquire the part of the Canal completed by the French Company, as long as that company was unable to fulfill its obligations. This right possessed by Colombia may justly be estimated at the sum paid to the Canal Company for the work completed by it and for the properties accessory thereto.

NOTE.—Owing to the illness of his wife, the American Minister was obliged to return with her to the United States. On November 5 the Department instructed him that the negotiations with the Government of Colombia should continue in his absence, conducted by the Chargé d'Affaires ad interim, Mr. Harrison. On November 8 the Minister informed the Foreign Office of the necessity for his immediate departure and of the continuance of the negotiations in his absence by the Chargé d'Affaires. The Minister for Foreign Affairs replied on November 10 (File No. 711.21/207) saying:

The Colombian Government, whose highest consideration has been won by your excellency, sincerely regrets that such a deplorable motive should necessitate your excellency's departure, and expresses the hope that upon the earnestly desired disappearance of the distressing events in your family, your excellency will again become the distinguished guest of Colombia.

The Government furthermore expresses the hope that the negotiations initiated by your excellency—which remain in the charge of the honorable Chargé d'Affaires, by direction of his excellency the Secretary of State, as your excellency has informed me—may be carried to a just and desirable conclusion, to which end your excellency can rest assured that the Honorable Mr. Harrison may count upon the same cooperation which your excellency has received.

The Minister departed on November 11. On November 24 the Colombian Legation at Washington requested that the American Chargé d'Affaires be instructed to continue at Bogotá the negotiations interrupted by the departure of the Minister. (File No. 711.21/205.) The Secretary of State thereupon sent the following telegram to the Chargé d'Affaires:

File No. 711.21/205.

The Secretary of State to the American Chargé d'Affaires.

[Telegram.]

DEPARTMENT OF STATE,
Washington, November 29, 1913—10 a. m.

Department received note from the Minister of Colombia dated November 24 requesting that reply to Legation's October 22, 7 p. m., be expedited.

Please inform Minister for Foreign Affairs that enormous pressure of other vitally important matters has prevented the President from receiving this question. It is hoped reply may be sent next week.

BRYAN.

File No. 821.6363/25.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Extract.]

AMERICAN LEGATION,
Bogota, December 1, 1913.

The President has extended extra session of Congress to the 5th instant. Message in your November 29, 10 a. m., delivered to the Minister for Foreign Affairs, who expresses great satisfaction and hopes reply may arrive if possible before the 5th.

HARRISON.

File No. 711.21/199.

The Secretary of State to the American Chargé d'Affairs.

[Telegram.]

DEPARTMENT OF STATE,
Washington, December 19, 1913—6 p. m.

You may present the following as a proposition for settlement of all disputes and controversies between the United States and Colombia.

The United States is willing to make the following treaty:

ARTICLE I. The Government of the United States of America, wishing to put at rest all controversies and differences with the Republic of Colombia arising out of the events from which the present situation on the Isthmus of Panama resulted, expresses, in its own name and in the name of the people of the United States, sincere regret that anything should have occurred to interrupt or to mar the relations of cordial friendship that had so long subsisted between the two nations.

The Government of the Republic of Colombia, in its own name and in the name of the Colombian people, accepts this declaration in the full assurance that every obstacle to the restoration of complete harmony between the two countries will thus disappear.

ARTICLE II. The United States grants to Colombia the following rights in respect to the interoceanic canal and the Panama Railway:

1. The Republic of Colombia shall be at liberty at all times to transport through the interoceanic canal its troops, materials of war and ships of war, even in case of war between Colombia and another country, without paying any charges to the United States.

2. The products of the soil and industry of Colombia passing through the canal, as well as the Colombian mails, shall be exempt from any charges or duties other than such as may be payable on the products or mails of the United States. The products of the soil and industry of Colombia, such as cattle and provisions, shall be admitted to entry in the Canal Zone without paying other duties than those paid upon similar products of the United States.

3. Colombian citizens crossing the Canal Zone shall, upon production of proper proof of their nationality, be exempt from every toll, tax, or duty to which citizens of the United States are not subject.

4. During the construction of the interoceanic canal and afterwards, whenever traffic by the canal is interrupted, the troops, materials of war, products

and mails of the Republic of Colombia, as above mentioned, shall, even in case of war between Colombia and another country, be transported on the railway between Ancón and Cristóbal or on any other railway substituted therefor, paying only the same charges and duties as are imposed upon the troops, materials of war, products and mails of the United States. The officers, agents and employees of the Government of Colombia shall, upon production of proper proof of their official character or their employment, also be entitled to passage on the said railway on the same terms as officers, agents and employees of the Government of the United States. The provisions of this paragraph shall not, however, apply in case of war between Colombia and Panama.

5. Coal and sea-salt, being the products of Colombia, passing from the Atlantic coast of Colombia to any Colombian port on the Pacific coast and vice versa, shall be transported over the aforesaid railway free of any charge except the actual cost of handling and transportation, which shall not in any case exceed one-half of the ordinary freight charges levied upon products of the United States passing over the railway and in transit from one port to another of the United States.

ARTICLE III. The United States of America agrees to pay to the Republic of Colombia, within six months after the exchange of the ratifications of the present treaty, the sum of Twenty Million Dollars, gold, United States money.

ARTICLE IV. The independence of the Republic of Panama being acknowledged as an accomplished fact, it is agreed that the boundary between the Republic of Colombia and the Republic of Panama shall be based upon the Colombian law of June 9, 1855, and the line shall accordingly run from Cape Tiburón to the headwaters of the Rio de la Miel and following the mountain chain by the ridge of Gandi to the Sierra de Chugargun and that of Mali going down by the ridges of Nique to the heights of Aspave, and from thence to a point on the Pacific half way between Cocalito and Ardita.

It is not necessary to send formal introduction and conclusion. You will notice that the boundary is approximately that of 1855, but more clearly defined for the sake of certainty.

BRYAN.

NOTE.—The draft treaty forwarded by the Department to the American Chargé d'Affaires in its telegram of December 19 was presented to the Foreign Office on December 28, 1913. (File No. 711.21/222.)

COSTA RICA.

EXTRADITION AND DEPORTATION FROM COSTA RICA TO THE UNITED STATES AS AN ACT OF COMITY.

File No. 200.11L44/1.

The Secretary of State to the American Chargé d'Affaires.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE.
Washington, June 14, 1913.

The Department is informed by the Attorney General that a warrant has been issued for the arrest of Waldo C. Lawson, on the charge of embezzling postal and money-order funds of the United States; that Lawson recently sailed on a steamer bound for Costa Rica in company with Ross M. Pennypacker. [Descriptions.] You will informally ascertain whether the Government of Costa Rica will grant the extradition of Lawson as an act of comity, explaining that for constitutional reasons this Government cannot reciprocate, in the absence of an extradition treaty, in case of a similar request being made by Costa Rica.

BRYAN.

File No. 200.11L44/8.

The American Chargé d'Affaires to the Secretary of State.

AMERICAN LEGATION,
San José, June 21, 1913.

SIR: I have the honor to inform you that upon receipt of the Department's telegraphic instruction of the 14th instant I called upon President Jiménez—the Minister for Foreign Affairs being absent from the city—to informally request the extradition of Lawson should he arrive in Costa Rica. The President said that he would be glad to have Lawson deported if found, and would have him arrested and placed on board of the first steamer leaving for the United States, but for the sake of formality he wished a warrant or extradition papers,[1] which I telegraphed to the Department [etc.]

I have [etc.]

MARSHALL LANGHORNE.

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[1] The Department promised these upon notification of the arrest of the fugitive. (File No. 200.11L44/2.)

File No. 200.11L44/14 and 15.

The American Chargé d'Affaires to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN LEGATION,
San José, July 17, 1913.

Lawson arrested today. The Minister for Foreign Affairs tells me that he will be deported for Galveston on the 18th instant.

LANGHORNE.

AMERICAN LEGATION,
San José, July 19, 1913.

My July 17. Lawson deported yesterday.

LANGHORNE.

File No. 200.11L44/17.

The American Chargé d'Affaires to the Secretary of State.

AMERICAN LEGATION,
San José, July 19, 1913.

SIR: In confirmation of my telegram of the 17th and also of the 19th instant, reporting the arrest and deportation of Waldo C. Lawson, I have the honor to inform you that on the 17th instant Mr. W. E. Mullins, the general manager of the United Fruit Company, whose aid in trying to locate the fugitives I had requested, telephoned me that Lawson was at that moment in his office in Limon. Mr. Mullins said that Lawson came to him to ask for work and, recognizing him from his descriptions, he questioned him as to his identity. Lawson at once confessed to everything and said that he would be glad to give himself up and to be sent to America to face his charges and that he was tired of being a fugitive from justice.

Upon receipt of this news I immediately called upon the Minister for Foreign Affairs to ask for his arrest and extradition, which the President had informed me he would grant. Mr. Castro, however, said that it would be preferable to have Lawson arrested and deported as a "pernicious foreigner" (estranjero pernicioso), as the Central American Court of Justice would be sure to take an exception to the granting of extradition in the absence of such a treaty.

[Details regarding arrangements for deportation.]

I have [etc.]

MARSHALL LANGHORNE.

File No. 200.11L44/8.

The Acting Secretary of State to the American Chargé d'Affaires.

No. 27.] DEPARTMENT OF STATE,
Washington, July 24, 1913.

SIR: The Department has received your unnumbered despatch of June 21 in regard to the desired extradition of Waldo C. Lawson, and

approves your action in taking up the matter with the President of Costa Rica in the absence of the Minister for Foreign Affairs, and in taking measures to cause the arrest of the fugitive.

The attitude of the Costa Rican Government in the matter is highly appreciated by the Department.

I am [etc.]

J. B. MOORE.

File No. 200.11L44/17.

The Secretary of State to the American Chargé d'Affaires.

No. 30.] DEPARTMENT OF STATE,
Washington, July 31, 1913.

SIR: The Department has received your unnumbered despatch of July 19 [etc.]

The Department approves your action in having Lawson arrested and deported as an objectionable foreigner, in accordance with the suggestion of the Costa Rican Government that you would thus avoid any possible objection of the Central American Court of Justice to the granting of extradition in the absence of treaty provisions applicable to the case.

I am [etc.]

For the Secretary of State:
J. B. MOORE.

CUBA.

INAUGURATION OF PRESIDENT MENOCAL.—PARTICIPATION IN THE CEREMONIES OF A SPECIAL MISSION REPRESENTING THE PRESIDENT OF THE UNITED STATES.

File No. 837.001M52/2.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, May 14, 1913.

The personnel of the Special Mission to the inauguration of President-elect Menocal is as follows:

Chief of Mission, Arthur M. Beaupré, Envoy Extraordinary and Minister Plenipotentiary of the United States at Habana, as Envoy Extraordinary and Minister Plenipotentiary on Special Mission. General Enoch H. Crowder, Judge Advocate General of the United States Army, as Representative on Special Mission, with rank of Envoy Extraordinary and Minister Plenipotentiary; and Mr. Dudley Field Malone, Third Assistant Secretary of State, as Representative on Special Mission, with rank of Envoy Extraordinary and Minister Plenipotentiary.

The Representatives, accompanied by their Secretary, Mr. Edward Bell, of the Division of Latin-American Affairs of the Department of State, will be conveyed from Key West to Habana on the U. S. S. *Prairie.*

Make all necessary arrangements for their reception.

BRYAN.

File No. 837.001M52/

The Acting Secretary of State to the American Minister.

[Telegram.]

DEPARTMENT OF STATE,
Washington, May 15, 1913.

The Legation staff is hereby attached to the Special Mission.

MOORE.

File No. 837.001M52/7.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Habana, May 15, 1913.

In the absence of instructions on the subject, Mr. Gibson will go to Key West to confer with the Special Representatives on the details of the mission, to expedite definite arrangements on arrival.

BEAUPRÉ.

File No. 837.001M52/15.

The Cuban Chargé d'Affaires to the Acting Secretary of State.

[Translation.]

No. 19.] LEGATION OF CUBA,
Washington, May 20, 1913.

SIR: By order of my Government I have the honor of informing you that on this day Major General Mario G. Menocal and Doctor Enrique José Varona, President and Vice President elect of the Republic, respectively, have taken possession of the offices.

The Cabinet is composed of the following:

Doctor Cosme de la Torriente, Secretary of State;
Doctor Cristóbal de la Guardia, Secretary of Justice;
Colonel Aurelio Hevia, Secretary of Gobernación;
Doctor Leopoldo Cancio, Secretary of the Treasury;
Engineer José R. Villalón, Secretary of Public Works;
General Emilio Núñez, Secretary of Agriculture, Commerce and Labor;
Doctor Ezequiel Garcia Enseñat, Secretary of Public Instruction and Fine Arts;
Doctor Enrique Núñez, Secretary of Health and Charities; and
Doctor Rafael Montoro, Secretary of the Presidency.

I avail [etc.]

MANUEL DE LA VEGA.

File No. 837.001M52, f. w.

Report of the Secretary of the Special Mission.

[Extract.]

May 18. Arrived Key West 8 a. m. Met by Captain E. E. Hayden, U. S. N., Commandant of Key West Naval Station, and Mr. Hugh S. Gibson, First Secretary, American Legation, Habana, who had been sent over by Mr. Beaupré to meet the envoys. Arrived Habana 4:30 p. m. Salutes exchanged with Cabaña fortress. Met at ship by the Honorable A. M. Beaupré, United States Minister and Chief of Special Mission; Colonel Slocum, United States Military Attaché; Mr. F. T. Coxe, Second Secretary, United States Legation; Mr. Patterson, Sub-Secretary of State of Cuba; Senator Coronado, Secretary of Cuban Senate Committee on Foreign Affairs, who came as the personal representative of the President-elect; Mr. J. L. Rodgers, American Consul General; and Señor Carrillo, attached to the Special Mission. Salute of seventeen guns fired as the Special Mission left the ship.

May 19. At 9:45 the Special Mission, attended by staff and attachés, called upon Sr. Sanguily, Secretary of State, and conversed for about twenty minutes. They then repaired by motor to the Finca América, Calabazar, about eighteen miles south of Habana, to call upon President Gómez. Mr. Beaupré, in presenting his colleagues made a short address to President Gómez:

Address of the Special Mission to the retiring President, José M. Gómez, and the reply of President Gómez.[1]

MR. PRESIDENT: Acting in accordance with the wishes of the President of the United States, we are present today as an evidence of the intimate and friendly interest of the American people and their Government in the welfare and prosperity of Cuba. We take pleasure, therefore, in extending to you the good wishes of the people of the United States and the sincere compliments of their President that you have maintained and are handing over to your successor a Government of law and order and a form of republican government which the people of the United States will be glad to see develop and prevail to the lasting good of the Cuban nation.

President Gómez replied as follows:

MR. MINISTER: I am very much gratified to hear from your excellency's lips in your quality as Chief of the Special Mission sent by the President of the United States of America in courteous reciprocation of that which I had the satisfaction of sending to Washington upon the occasion of a similar event, the gracious remarks which, in expressing the wishes and sentiments of the great citizen who is now the head of the American nation wisely and gloriously to guide its destinies, are the assurance of the noble interest which the people and Government of the United States of America so sincerely feel for the happiness and prosperity of the Cuban nation and the security of its republican institutions.

In transferring within a few hours hence the Presidency of the Republic to my illustrious successor, nothing can be more pleasing to me than the solemn and encouraging remarks which you have just made, and I pray your excellency will convey to President Wilson my grateful appreciation as a Cuban and my sincere wishes for his personal welfare and for the enduring prosperity and greatness of the American nation in the deserved and unalterable affection of her other sisters of this hemisphere, for the good of humanity and the glory of civilization.

Mr. Beaupré then introduced his colleagues and staff. Informal conversation followed and finally, champagne being served, President Gómez proposed a toast to the President and people of the United States, their progress, prosperity and peace. Mr. Malone proposed the health of the President of Cuba and the welfare of the Cuban people. The party then returned to Habana.

May 20. At 9:45 the Special Mission and staff, accompanied by Commander Scales of the U. S. S. *Prairie*, repaired to the Senate Chamber to witness the inauguration of Vice President Varona. Seats were reserved in front row. After this ceremony the Special Mission, staff, etc., went to the Palace, where they were received by President Gómez, and remained in conversation with friends till noon.

The following congratulatory telegram from the President of the United States to the incoming President was received by General Menocal:

The President to the President of Cuba.[2]

THE WHITE HOUSE,
Washington, May 20, 1913.

Upon this anniversary of the independence of the Cuban nation and the occasion of Your Excellency's inauguration, permit me to add to the message of cordial friendship conveyed by the Ministers of the United States on Special Mission my own sincerest felicitation, and also to extend my best wishes that this Government's sister Republic of Cuba may, under your administration, have great prosperity. Pray accept my own cordial wishes for your continued health and happiness.

WOODROW WILSON.

[1] File No. 837.001M52/10.

[2] File No. 837.001M52/16A.

To this General Menocal replied:

The President of Cuba to the President.[1]

[Translation.]

HABANA, *May 20, 1913.*

It has been for me special cause of congratulation, after the delivery of the noble message of cordial friendship by the Ministers of the United States on Special Mission, to receive the telegram by which Your Excellency sent me your sincere felicitations and wishes for the success of my administration and the prosperity of Cuba. Profoundly grateful to Your Excellency, I renew to you my sentiments of cordial friendship and my aim to have the ties that bind Cuba to the United States drawn closer and closer.

Accept, Excellency, my sincere wishes for your health and happiness.

MENOCAL.

At noon General Menocal arrived to take the oath of office. President Gómez made a short speech turning over his office: General Menocal replied, and the oath of office was administered by the Chief Justice of the Supreme Court. President Menocal and General Gómez then repaired to a balcony overlooking Palace Square to receive the acclamations of the crowd. Colonel de la Torriente then took oath as Secretary of State. During the ceremonies the Special Mission and staff occupied a reserved enclosure immediately in front of the dais on which the President, retiring President, Supreme Court, etc., were standing.

On returning from the balcony, President Menocal retired with his Cabinet for a short consultation, after which he returned to the State Room and passed through to the Red Room. He thereupon despatched an aide-de-camp to invite the attendance of the Special Mission of the United States of America. On entering the Red Room, Mr. Beaupré in a few words informed President Menocal of the object of the mission:

Address of the Chief of the Special Mission to the President of Cuba, Mario G. Menocal.

MR. PRESIDENT: It is my distinguished honor to hand to Your Excellency the letters by which the President of the United States accredits me and my colleagues on special mission near your Government. At the same time I beg to extend to you our sincere congratulations and our good wishes for the welfare of your Government.

My colleague Mr. Malone will deliver to Your Excellency a personal message of congratulation and good will from the President of the United States, whose close friend and representative he is. The terms and significance of this message afford sincere gratification to me and to my colleagues.

He then presented the letter accrediting him and his colleagues:

Letter of credence from the President, accrediting the Special Mission to the President of Cuba.

GREAT AND GOOD FRIEND: Desiring to manifest the intimate interest of the United States in the welfare of the Cuban Nation and to emphasize the close and special relationship between the two countries, I have made choice of Arthur M. Beaupré, Envoy Extraordinary and Minister Plenipotentiary of the United States to Cuba, Brigadier General Enoch H. Crowder, Judge Advocate General of the Army, and Dudley Field Malone, Third Assistant Secretary of State, three of our distinguished citizens, as my special representatives, each with the

[1] File No. 837.001M52/17.

rank of Envoy Extraordinary and Minister Plenipotentiary, on the occasion of the inauguration of Your Excellency to the Chief Magistracy of the Republic of Cuba.

I have entire confidence that they will render themselves acceptable to Your Excellency in the distinguished duty with which I have invested them.

I therefore request Your Excellency to receive them favorably and to accept from them the assurance of the high regard and friendship entertained for Your Excellency and the Government and People of Cuba by the Government and People of the United States, and of my best wishes for your personal welfare and the prosperity of the Republic over which you have been called to preside.

Your Good Friend,

WOODROW WILSON.

By the President:

W. J. BRYAN,
Secretary of State.

WASHINGTON, *May 14, 1913.*

Mr. Malone then read the President's greeting, as follows:

Address in behalf of the President, by Mr. Malone, Minister on Special Mission, to the President of Cuba.

MR. PRESIDENT: We congratulate you on this significant occasion, when, following a closely contested election and an orderly and peaceful transfer of power from the party hitherto in control to an opposition party, you come to preside over the destinies of the Cuban people. This orderly transmission of authority is most gratifying and seems to indicate that the Cuban people have successfully undergone one of the severest tests of republican government.

We bring you a cordial message of good will and encouragement in the duties which now fall to you, and we wish to express the hearty sympathy of the American people with every element of good government in Cuba. It is the wish and purpose of the President of the United States and of the Government which he represents to support firm and just government as against all elements of disorder.

As was stated by President Wilson in March last in his declaration of the policy that would be followed by the United States in its relations with its sister republics in the western hemisphere,[1] one of the chief objects of his administration will be to cultivate their friendship, to deserve their confidence, and to promote in every proper and honorable way the interests which are common to our respective countries.

The President earnestly desires the most cordial understanding and coöperation between the United States and Cuba. He believes that such coöperation is possible only when supported at every turn by just government based upon law, upon the consent of the governed, and upon public conscience. He will seek to make these principles and a firm opposition to all arbitrary or irregular force the basis of our mutual intercourse.

The American people are the friends of peace and can have no sympathy with those who seek to seize the power of government in order to advance their personal ambitions. There can be no lasting peace in such circumstances. As friends who prefer the interests of peace and honor, the protection of private rights and respect for the restraints of constitutional provisions, mutual respect must continue to be the foundation of the friendship which exists between us.

The United States has nothing to seek in Cuba except the lasting interest of the people, the security of popular government and the development of such personal and commercial relations between Cuba and the United States as will redound to the profit and advantage of both and interfere with the right and liberties of neither.

In reiterating to you, Mr. President, these friendly assurances of the President of the United States, we desire to emphasize the earnestness and sincerity with which the people and the Government of the United States, as represented by their President, desire that the future of the Cuban nation shall be one of uninterrupted advance toward peace, prosperity and security. Our message is one of cordial friendship and felicitation. May Cuba, under your guidance, rise yet another stage upon her progress towards settled peace, happiness and contentment.

[1] See p. 7.

General Menocal replied as follows:

Reply of President Menocal to the Address by the Minister on Special Mission.

[Translation.]

MESSIEURS ENVOYS EXTRAORDINARY AND MINISTERS PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA ON SPECIAL MISSION: It is a high honor to me to receive from the hands of your excellencies the letters of credence by which the President of the United States accredits you on special mission near my Government, and, while expressing my deep appreciation of your sincere congratulations, I pray for your personal weal.

In receiving from one of you—from Mr. Malone—the personal message of congratulation and good wishes from the President of the United States, whose close friend and representative he is, I cannot refrain from asking you to inform your President that the terms and significance of his message are the source of the greatest satisfaction to me and to my Government.

It is indeed a source of gratification to all who feel an interest in the future of the Cuban Republic, that, following a closely contested election in which both sides invariably showed profound respect for the laws, the transmission of power from the party hitherto in control to the party whose candidates triumphed at the polls and which, in cooperation with me, will henceforth govern Cuba, should have been accomplished in a manner so orderly and peaceful. The Cuban people have shown by this impressive act, so satisfactorily carried out a few minutes since, that they have successfully faced one of the most difficult trials of the republican form of government which we enjoy.

The happy fact that all the inhabitants of Cuba, and particularly their political organizations, have contributed to this normal transmission of the powers of government which your excellencies have just witnessed leads us to hope that the hearty sympathy which your excellencies express to me in the name of the American people with every element of good government in Cuba may never need be translated into the necessity for material support of the firm and just government which all Cubans, without distinction of political creed, now hope we may ever enjoy. The remarks which you have just delivered in the name of the United States persuade me and all Cubans, to an even greater degree than ever before, that the nation which so decisively contributed to the birth of the Cuban Republic has not for a single moment wavered in its interest in the welfare of our people.

The relations between the great and small nations of the earth cannot be enduring and cordial save as they are inspired in a common feeling of respect and justice and, principally, a willingness on the part of the strong to help the weak. Hence the great significance for Cuba of the assurance which you give in President Wilson's name that he desires the most cordial coöperation between Cuba and the United States and that he believes that such coöperation is possible only when supported at every turn by just government based upon law, upon the consent of the governed, and upon public confidence, wherefore he will seek to make these principles and a firm opposition to all arbitrary or irregular force the basis of our mutual intercourse.

The purpose of Cuba, and, in her behalf, of my Government this day inaugurated, to maintain the most cordial relations with all the governments of the world necessarily leads her to cultivate by the most honorable and appropriate means the interests which are common to the peoples who inhabit this western hemisphere, destined to such a large share in the great civilization of which we form part. And in order that all may coöperate for the accomplishment of the purposes which President Wilson announced in his statements of last March, it is also indispensable that all shall feel that they are protected in their rights as truly free and independent peoples who while conscious of their rights are equally cognizant and mindful of their international obligations. Such are the bases of that mutual respect if it is to endure. This respect fortunately already exists, and I am more than ever confident that President Wilson and I will jointly strive to augment it—he as the head of one of the greatest nations of the earth, and I as the head of one of the smallest, but equal in our common sense of right and duty.

The United States has already given to the world palpable proofs of her great concern in the lasting interest of my people and Government; and therefore President Wilson and I will, I am sure, during the terms of our respective

administrations, find the means of developing, to a greater extent even than now, such personal and commercial relations between Cuba and the United States as will redound to the advantage of both countries and interfere with the rights and liberties of neither people.

I pray your excellencies will undertake to convey to President Wilson and the great and noble American people who did so much for Cuba in her days of greatest woe, along with our compliments, the most profound and cordial assurance of the sincere and loyal friendship of the Cuban people, of their Government, and of myself personally; and that at the same time you will express to President Wilson my best wishes for his personal happiness.

Mr. Beaupré presented his colleagues and staff; complimentary remarks were exchanged, and the Special Mission and staff retired.

At 7.30 p. m. Mr. and Mrs. Beaupré gave a dinner at the Legation in honor of the newly appointed Secretary of State, Colonel de la Torriente. Besides the Special Mission and staff there were present Mrs. Torriente, Mr. Montoro, appointed Presidential Secretary, and Mrs. Montoro, Mr. Patterson, Sub-Secretary of State, and Mrs. Patterson, Doctor Desvernine, of the Cuban Special Mission to the inauguration of the President, and Mr. Rivero, Chief of same and Cuban Minister to Washington.

May 21. At 9 a. m. Mr. Malone repaired to the Caballería wharf to embark. Besides the other members of the Special Mission and staff, Mr. Torriente, Secretary of State, and Mr. Patterson, Sub-Secretary of State, were present to bid him good-bye. On arrival on board, Mr. Malone was rendered a Minister's salute.

President Menocal, desirous of expressing in the highest degree his appreciation of the sending of the Special Mission to his inauguration, attached on this day, his first in office, two officers as A. D. C. to the Special Envoys remaining in Habana: Captain de Cárdenas to Mr. Beaupré, Major Silva to General Crowder.

In the evening a gala performance was given at the Opera in honor of President Menocal, which he attended with the members of his family. The audience was large and brilliant and all the Cabinet, most of the diplomatic corps, and a great number of prominent Habanese were present. Two boxes were placed at the disposal of the Special Mission and the entire personnel thereof (except Mr. Malone) attended: Mr. and Mrs. Beaupré; General Crowder; Mr. Bell; Mr. Gibson; Colonel and Mrs. Slocum; Mr. Coxe; Major Silva; Captain de Cárdenas; Mr. Carrillo.

May 22. The only official function on this day was a banquet given by the Secretary of State and Señora de la Torriente at the Department of State to the Special Mission. Besides Mr. Beaupré, General Crowder and the staff of the Special Mission there were present the Vice President of Cuba; the retiring Vice President; most of the Cabinet and their wives; the retiring Secretary of State; the Sub-Secretary of State, and several Senators and Deputies; also the Mayor, the Speaker and the ex-Speaker—a thoroughly representative gathering of the most prominent people in official life in Cuba. There were no speeches.

May 23. General Crowder, accompanied by Mr. Bell, left on the P. & O. *Mascotte* for Key West. Mr. Beaupré and the staff of the Special Mission and the Legation were present to bid farewell to General Crowder, as well as the Secretary and Sub-Secretary of State of Cuba, several other officials, and a number of personal friends.

File No. 837.001M52/21.

The Cuban Chargé d'Affaires to the Secretary of State.

[Translation.]

No. 22.] LEGATION OF CUBA,
Washington, June 3, 1913.

SIR: I have the honor to send you, together with the office copy, the autograph letter which, upon the occasion of his assumption of the functions of the Executive Power, the Honorable General Mario G. Menocal directs to His Excellency the President of the United States, the Honorable Woodrow Wilson.

I beg you to forward it to its high destination, and I avail [etc.]

MANUEL DE LA VEGA.

[Inclosure.]

The President of Cuba to the President.

PALACE OF THE PRESIDENCY,
Habana, May 20, 1913.

GREAT AND GOOD FRIEND: I have the honor to inform Your Excellency that as a result of the general national elections on the first day of November of one thousand nine hundred twelve I was proclaimed on the twenty-first of last April by the Senate and House of Representatives in Congress assembled President of the Republic during the period from one thousand nine hundred thirteen to one thousand nine hundred sixteen.

And having on this day taken the oath required by the Constitution upon assuming the exercise of the Executive Power, I am glad to assure you that from the high post which I have been called to take by the vote of my fellow-citizens, it will be my invariable desire to strengthen the friendly relations that so happily exist between our Countries and Governments.

I earnestly wish prosperity for your Nation and personal happiness for Your Excellency, of whom, Great and Good Friend,

I am,
Your Good Friend,

MARIO G. MENOCAL.

COSME DE LA TORRIENTE,
Secretary of State.

File No. 837.001M52/21.

The Secretary of State to the American Minister.

No. 239.] DEPARTMENT OF STATE,
Washington, June 23, 1913.

SIR: I enclose, with office copy, a letter addressed by the President to His Excellency General Mario G. Menocal, acknowledging his letter of May 20 last in which he announced his election on November 1 last to the Presidency of the Republic of Cuba and his entrance upon the duties of that office.

You will forward the copy to the Foreign Office and deliver the original in the manner most agreeable to His Excellency.

I am [etc.]

For the Secretary of State:
J. B. MOORE.

[Inclosure.]

The President to the President of Cuba.

GREAT AND GOOD FRIEND: I have received the letter of the 20th of May last, in which Your Excellency announced your election, on the 1st of November last, to the Presidency of the Republic of Cuba and your entrance upon the duties of the office.

I cordially reciprocate the sentiments you express for the continuance of the friendly relations which have heretofore existed between the United States and Cuba, and I assure Your Excellency of my best wishes for your personal welfare and for the prosperity of the Republic over which you have been called to preside.

Your Good Friend,

WOODROW WILSON.

By the President:
W. J. BRYAN,
Secretary of State.
WASHINGTON, *June 18, 1913.*

PROPOSAL OF FRANCE, GERMANY AND GREAT BRITAIN TO ARBITRATE WITH CUBA CERTAIN INSURRECTIONARY CLAIMS OF THEIR NATIONALS ARISING PRIOR TO 1898.[1]

File No. 437.00/46.

The American Minister to the Secretary of State.

No. 612.] AMERICAN LEGATION,
Habana, January 29, 1913.

SIR: Referring to previous correspondence in regard to the so-called insurrectionary claims of British, French and German subjects against the Republic of Cuba, I have the honor to report that President Gómez has addressed a message to Congress in request of authorization to arbitrate these claims. There is little, if any, likelihood of action by Congress during the present session which, if the custom of former years is observed, will adjourn some time next month reconvening the first Monday in April.

I have [etc.]

A. M. BEAUPRÉ.

File No. 437.00/47.

No. 654.] AMERICAN LEGATION,
Habana, March 15, 1913.

SIR: Referring to my despatch No. 612, of January 29, 1913, reporting [etc.] I have the honor further to report that bills carrying out the President's recommendation have been drafted by the committees on Foreign Affairs, and Justice and Codes, and submitted to the House for consideration.

Both bills in effect contemplate authorizing the President of the Republic to enter into an agreement with the powers concerned for submitting to arbitration the principle involved, that is to say, whether the Republic of Cuba is responsible for damages to property of British, German and French subjects alleged to have been

[1] Continued from For. Rel. 1912, pp. 276–293.

caused by Cuban revolutionary forces in the war of 1895–98. The bill of the Committee on Foreign Affairs authorizes the Executive to enter into an agreement with the interested powers, in the event that the arbitration is decided against Cuba, for the appointment of a commission to which determination of the individual claims shall be referred. This bill further provides that, after the commission in question shall have completed its labors, its findings shall be submitted to Congress for approval in accordance with the "first transitory provision" of the Constitution. The bill of the Committee on Justice and Codes provides that in the event of a decision unfavorable to Cuba, the Executive shall enter into agreement with the claimant powers for the determination of individual claims by a commission, which agreement shall be "submitted to the Senate for approval in accordance article 47 of the Constitution." It contains no provision for the ultimate submittal of the findings of this commission to Congress, as does the bill of the Committee on Foreign Affairs.

I have [etc.]

A. M. BEAUPRÉ.

File No. 437.00/48.

No. 655.] AMERICAN LEGATION,
Habana, March 18, 1913.

SIR: Referring to my despatch No. 654 of the 15th instant [etc.], I have the honor to report that at yesterday's session of the House the bill of the Committee on Foreign Affairs was approved and now goes to the Senate for action.

The text of this bill is as follows:

Article 1. The President of the Republic may enter into an agreement of arbitration with the accredited representatives of the Governments of Germany, England and France, for the purpose of determining whether the Republic of Cuba may be held responsible for damages to property of subjects of those nations alleged to have been caused by the revolutionary forces during the war of 1895–98.

Article 2. In the event that the tribunal of arbitration shall decide against the contention of the Republic of Cuba that the Republic is in no wise liable for the aforesaid damages, the President of the Republic is hereby authorized to enter into an agreement with the Governments of Germany, England and France for the formation of a commission to consider and pass upon claims filed in due time and form by subjects of those nations; the findings of which commission shall be duly submitted to the consideration and approval of the Congress of the Republic in conformity with the terms of the first transitory provision of the Constitution.

I have [etc.]

A. M. BEAUPRÉ.

File No. 437.00/49.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Habana, March 27, 1913.

The Cuban Senate yesterday approved House arbitration bill quoted in my No. 655 of March 18.

BEAUPRÉ.

File No. 437.00/49A.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, May 17, 1913.

This Government cordially approves the measures pending in the Cuban Congress designed to create boards for the arbitration of claims of European citizens against Cuba. We are informed that the former administration indorsed similar bills and we are in harmony with the principle of arbitration. You will make a statement in the above sense to the Cuban Government.

BRYAN.

File No. 837.00/51.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Habana, May 31, 1913.

The Senate yesterday passed the bill authorizing the President to conclude an agreement for arbitrating prima facie French, British and German claims.

BEAUPRÉ.

File No. 437.00/52A.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, June 5, 1913.

Regarding the Department's telegram of May 17 concerning arbitration of claims, say to the President that it should not be construed as an insistence upon immediate action, as we recognize that the new administration has not had time to investigate, although it is taken for granted that the matter will be taken up by the President as soon as other duties permit, and we shall be pleased to hear from him if any reason against provision for arbitration should exist.

BRYAN.

File No. 437.00/53.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Habana, June 6, 1913.

The President today expressed satisfaction with the Department's telegram of June 5 and desires me to say that his Government is according the arbitration claims question more serious attention than to any other pending matter.

Before[1] this interview the Secretary of State had addressed to the French Minister a note thoroughly in harmony with your views, adding that the question was being studied and a statement of the new administration's position would be made with no unnecessary delay.

BEAUPRÉ.

File No. 437.00/60.

The Legation of Cuba to the Department of State.

[Memorandum, without date—Not a translation.]

LEGACIÓN DE CUBA,
Washington, D. C.

MEMORANDUM.

In reference to the interview held yesterday between the Honorable Secretary of State of the United States and the appointed Minister of Cuba, the reasons are hereafter stated on which the Government of Cuba objects to submit to arbitration the claims presented jointly by the Governments of Great Britain, Germany and France for damages alleged to have been caused to properties belonging respectively to the subjects of those nations, by Cuban revolutionary forces during the war for independence:

First. Because recourse to arbitration can be advised only whenever there shall be apparent grounds for differences of opinion on the subject at issue, and not when the facts are so clear and such as make it reasonably impossible to differ in opinion on the question.

Second. Because in the case of the above-mentioned claims, the facts are so clear that they exclude all possibility of any differences of opinion as to the conclusions to be inferred from them.

Third. The facts are:

(a) That the Cuban forces which are alleged to have caused the damages were not granted belligerent rights either by Spain, Great Britain, Germany or France.

(b) That the war for independence was followed, after the war of the United States against Spain, by a treaty of peace made in Paris between commissioners representing only the Government of Spain and that of the United States, no participation therein having been given to the Cuban Revolutionary Government.

(c) That pursuant to that treaty an American Military Government was established in Cuba, which lasted until the 20th of May of 1902.

(d) That the Constitution was framed by a Cuban Convention called together by the American Military Government in Cuba, and the United States approved the Constitution thus framed, and ordered that a republic be established under it.

(e) That the Republic of Cuba was recognized by all the foreign Powers, as established and regulated by the Constitution, against the provisions of which they made no protest.

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[1] On June 5.

(f) That the Constitution provides in one of its transitory provisions, that the Republic of Cuba did not recognize any debt of liability except that legitimately incurred for the benefit of the revolution by the Chiefs of Corps of the Liberating Army, after the 24th of February, 1895, and prior to the 19th of September of the same year, on which date the Constitution of Jimaguayú was promulgated, and the debts and liabilities subsequently incurred by the Revolutionary Government or its legitimate representatives abroad. Congress will determine said debts and liabilities, and resolve accordingly for the payment of those that are legitimate.

(g) The properties for the damages of which the claims are made, were properties held and operated under the rule of the Spanish Government, to which taxes were to be paid according to law, and the products or crops of which were sent to and sold in Spanish cities, and accordingly those properties were under the control of the enemy, and served their interests.

(h) The principle of international law was announced by the Spanish Treaty Claims Commission (Principles 7th and 8th), and many other precedents and authorities, pursuant to which the property of alien residents like that of subjects or citizens of the country, when in the track of war is subject to war casualties, and whatever in front of the advancing forces either impedes them or might give them aid when appropriated, or if left unmolested in their rear might afford aid and comfort to the enemy, may be taken or destroyed by the armies of either of the belligerents; and no liability whatever is understood to attach to the government of the country whose flag that army bears, and whose battles it may be fighting because the destruction of property in war, where a military end is served, is legitimate.

(i) The Cuban military forces were not responsible belligerents at the time when the injuries to the properties were effected, and they could not be held responsible subsequently for acts for which they were not accountable when they were executed, and much less can the Republic of Cuba be held liable if it is borne in mind that it came to life as late thereafter as the 20th of May of 1902.

(j) The present Government of the Republic of Cuba is legally unable to assent to arbitration of the above-mentioned claims, because it would infringe the constitutional provision whereby the liabilities of Cuba are limited to the debts expressly mentioned in the Constitution.

(k) The claims now before the Cuban Government were originally filed with the Government of Spain, which was held then by the Powers now pressing the claims as alone responsible for them.

(l) Article 7 of the Treaty of Paris relieves Spain of her liability for all damages caused to American citizens arising during the insurrection, the fact being that Spain did not disclaim her original liability for all those damages.

(m) The contention of the claimant nations that the former President of Cuba has committed himself regarding the arbitration of the claims cannot be sustained on legal grounds, for the reason that, even admitting for the sake of the argument that such has been the case, it would not bind the present Government or any government whatever: because, first, such arbitration is inconsistent with the above-mentioned provisions of the Constitution of Cuba, against which no government can go, and which are certainly well known by the claiming Powers; and, second, in such matters the present administration of Cuba is not concluded [sic] by the acts of its predecessor.

A bill was introduced, some time ago, in the Congress of Cuba, providing for submission to some kind of arbitration, of the claims which Great Britain, Germany and France have filed with the Cuban Government, for damages done to the properties belonging to citizens of those nations by the forces of the Cuban Revolution for Independence.

The bill has not ultimately passed, and accordingly has not become a law, so that now the President of Cuba is the one called upon to decide the future course that the Cuban Government should adopt in regard to those claims.

Confidential advices from the Secretary of State of Cuba suggest, though only tentatively, that the best course to pursue is to undertake, first of all, a close examination of each and every one of the claims, so as to determine: first, whether the claimants are really of English, German or French nationality; second, whether their claims are such as may be judged of and approved by Congress pursuant to the first Transient Provision of the Constitution of Cuba; third, whether the titles of the claimants to the properties are good titles pursuant to Cuban law.

If the result of this examination should be, as it will most probably be the case, that some or many of the claims are not such as may be covered by the above-mentioned Transient Provision of the Constitution, the Government of Cuba will have to contend that it cannot assent to an acknowledgment and payment of those claims, and the European Governments will, on the other side, argue that Cuba must pay those claims, there arising accordingly a conflict of views between the Governments of the three claiming Powers and the Government of Cuba, and then will be the opportunity to consider whether the question at issue should be submitted to arbitration.

What the arbitrators would have to decide upon, would be whether in view that the Constitution of Cuba does not permit the payment of that class of claims, and in view that the only Cuban Government recognized by the above-mentioned Powers has been the Constitutional Government of Cuba as it was established when Cuba was constituted as an independent Power on the 20th of May of 1902, which Government cannot violate its own Constitution, and in view that the same Powers did never grant belligerent rights to the Cuban Revolutionists, and, on the contrary, accepted the assertion constantly made by Spain that there was no state of war in Cuba but only an uprising of a few or many rebel subjects of the Government of Spain, to which accordingly they favored with sales of arms and ammunition—whether in view of all this the above-mentioned Powers are justified in pre-

senting now those claims for acts which took place before the advent and birth of the Cuban Republic which was established with its present status pursuant to a law of the Congress of the United States and by order of the President of the same country, who, in his letter of May 10th, 1902, and dated in Washington and addressed to the President and Congress of the Republic of Cuba, said: "On the 20th of the present month the Military Government of Cuba, complying with my instructions, will turn over to you the command and government of the Island of Cuba, so that you may thereafter exercise said command and government pursuant to the provisions of the Constitution approved by your Constitutional Convention, and as promulgated on that day, and he will at that moment declare that the occupation of Cuba by the United States has come to an end."

In case that the award of the arbitrators should be against Cuba, then and only then will the time come to consider and decide as to the appointment of a commission which may consist of one arbitrator for us and another for the three Powers, with a president appointed by a friendly Government not interested in any of the points submitted, which commission shall decide the cases in which Cuba should pay and the amounts to be paid, according, of course, to the principles of international law, but provided that the claims or that part thereof as may arise from damages caused in the course of or as a result of military operations or by the necessities of war or caused in properties of claimants who may have sided with the Spanish Government or given it any aid as, for instance, paying taxes to same or the like, shall be rejected.

File No. 437.00/60.

The Department of State to the Legation of Cuba.

[Memorandum handed to the Cuban Minister on July 12, 1913.]

DEPARTMENT OF STATE,
Washington. (Not dated.)

MEMORANDUM.

The desire of the Cuban Government for full information as to the ownership and nature of the claims which the foreign Powers desire to arbitrate seems to be altogether reasonable. It is doubtful, however, whether either in the preliminary examination of the claims by the Cuban Government or in their subsequent arbitration, if one should be agreed upon, the First Transient Provision of the Constitution of Cuba would play an important part. For so thinking there are two reasons. The first of these is that a government is not permitted to set up, as a final answer to demands for the performance of international obligations, provisions of its municipal law, either constitutional or statutory. This principle has been clearly established on many occasions, and very notably in the settlement of the so-called Alabama claims by means of the award of the Geneva Tribunal. In the second place, it is by no means clear that the First Transient Provision forbids the Cuban Government to recognize claims not therein

mentioned. The language of the provision is that the Republic of Cuba "does not recognize" any other debts or obligations than those therein mentioned, and that the Cuban Congress "shall examine said debts and obligations and decide upon the payment of those which are found legitimate." The debts and obligations thus referred to are those "legitimately contracted in favor of the revolution" by commanders of the liberating army before September 19, 1895, and by the revolutionary government after that date. These words indicate that the object of the first transient provision was primarily to recognize and provide for the payment of a certain class of claims. It gave no recognition to other claims; but, in view of the principle above mentioned, it can scarcely be construed as having been intended to forbid the Cuban Government to recognize claims for which it might be liable under international law.

It may be doubted whether, as a matter of practical procedure, it would be desirable to have two processes of arbitration, one for the purpose of determining general questions of liability under international law and the other for the purpose of passing upon the actual claims. There is, however, something to be said in favor of such a course; and, if it should be thought best to adopt it, the immediate submission to arbitration of some or all of points (a) to (m) of the first memorandum of the Cuban Legation would seem to be a logical step. But it is conceivable that practical considerations may lead the Cuban Government to desire first to make a preliminary examination of the actual claims.

File No. 437.00/57.

The Cuban Secretary of State to the French Minister to Cuba.[1]

[Translation by the Cuban Legation, left by the Cuban Minister at the Department of State.]

FOREIGN OFFICE,
Habana, August 18, 1913.

MR. MINISTER: Pursuant to what was stated in my note of the 5th of June last [2], I hasten to inform your excellency of which is the view of the President of the Republic and its Government, in the matter of the claims of some English, German and French citizens for acts that took place during the war for the independence of Cuba, and of the best plan to be followed in order to reach a final decision of the questions arising out of those claims, which will be the means of strengthening, still more than they are at present, the good relations which happily exist between the Cuban Republic and the three claiming Powers ever since the former came into national life on the 20th of May, 1902, and its Constitutional Government was recognized, for the first time, by the three Powers.

Neither the first Government of the Republic of Cuba which was presided over by Señor Estrada Palma—to which in 1903 it was made known that there were French, English and German nationals who believed themselves entitled to file specific pecuniary claims arising out of the war of independence against Spain, notwithstanding that

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[1] This note was also sent to the Ministers of Germany and Great Britain.
[2] See Mr. Beaupré's telegram of June 6, second paragraph.

their respective Governments did never grant belligerent rights to the Revolutionary Government, and for which reason those nationals could never be entitled to consideration as neutrals in that struggle, not only because they always maintained their allegiance to the Government of Spain and paid taxes to it, helping said Government to defray the expenses of the war, but also because Spain had always facilities of all kinds and of which the revolutionists were deprived of, to obtain loans, arms and ammunition and vessels in England, Germany and France, which Spain made use of in order to wage a war of extermination against the Cuban patriots—neither that first Government ever requested that the claims should be presented in due form, so as to be able to examine them, and find out in what they consisted, and separating and classifying them, neither did the Government of President Gómez ask to have same duly filed, for it confined itself only to denying the soundness of the majority of the said claims, until finally, and in view of the insistence of the claiming Powers that some solution be forthcoming, for which end they proposed in their joint notes of July 3rd, 1911, the submission of the claims to an international arbitration, it accepted in principle said arbitration in a note of the Secretary of State, Mr. Sanguily, of July 10th, 1911, and addressed to the Diplomatic Representatives of the three Powers, proposing the acceptance, as the sole arbitrator, of the President of the United States of America, Mr. Taft, and reserving to specify the matter which should be the subject of the arbitration.

The non-acceptance of that sole arbitrator by the three Powers, and their proposal of the 9th of August, 1911, that in view of the international importance of the decision, the arbitration should be entrusted to a commission in which the three Powers should be represented, caused my learned and honorable predecessor to suggest, on the 12th of said month and year, to the Representatives of the Powers that inasmuch as they had declined to accept the proposition of having recourse to a sole arbitrator, the Government of the Republic might judge itself free from the obligations that they wanted to impose on him, and the ground of which might have been the acceptance in principle of the arbitration proposition that was made to them, but as the Powers on the 7th of November 1911, again insisted that the question be submitted to an international arbitration, inasmuch as the Government of Cuba, when it proposed the arbitrator of a head of a nation had, in their judgment bound itself to adopt the principle of arbitration, although not to any specific procedure therefor, he stated on the 28th of February 1912 that the Government did not at that time reject in principle, as it had not rejected before, the recourse to arbitration, for on the contrary it reiterated its adhesion to that principle of deciding through that method the international conflicts of all of which there was unequivocal evidence in the Convention of The Hague of the 18th of October, 1907, which was signed by the Delegates and approved by the Senate on the 10th of March 1909, and in the other Convention of Rio de Janeiro of the 13th of August 1906, which by reason of the recess of the Senate of the Republic was approved and ratified by the Provisional Governor, on the 17th of March 1908, who hastened to declare in the name of the Government of the Republic of Cuba that

this Republic was always disposed to pay what it may legitimately be indebted for and should be proved beyond any sort of doubt.

The Diplomatic Representatives of the three claiming Powers addressed again a new joint note to the Department of State on the 20th of December 1912, setting forth that they had carefully examined the reply of the Cuban Government dated the 28th of February 1912, and that inasmuch as the Government had in principle accepted the arbitration for the satisfaction of the indemnities claimed by the subjects of the three countries, they had the honor to renew their propositions on the 7th of November 1911 and, consequently, they submitted to the acceptance of the Cuban Government a plan for the arbitration which was annexed to their note, and on the 30th of that same month of December, the Secretary of State, Mr. Sanguily, informed the Representatives of the three Powers that the Government did not agree with the terms of the agreement on arbitration, and that it would draw, at the proper time, its objections and counter propositions, but that it would appeal to Congress for the request of the necessary authority to agree on the arbitration in regard to the claims for damages, notwithstanding and by reason of the circumstance, that these claims were not covered by the text of the First Transitory Provision of the Constitution which pointed out specifically which obligations and debts incurred into by the Revolution were accepted by the Republic and said Constitution had instituted, and that in case that Congress should authorize the execution of the agreement that might be stipulated, it should be submitted to the approval of the Senate—the Secretary of State reproducing in the memorandum in which he set forth the above, the assertion which he had already made on other occasions that it would always be necessary to appeal to Congress for the case included in the above mentioned Transitory Provision of the Constitution, and for the indispensable appropriation that the arbitration trial and its incidentals would demand—the President of the Republic having shortly afterwards sent a message to Congress describing the condition in which the matter stood, and asking authorization to stipulate, with the approval of the Senate, the agreement of arbitration that it might be necessary to arrange with the three powers.

The decision, which in its last sessions and before it adjourned in the last month of June was adopted in the Congress of the Republic in the direction of not giving its approval to the plan for submitting to a tribunal of arbitration the claims filed by the Governments of England, Germany and France, has left an open field for the President of Cuba to initiate again the negotiations in order to reach a decision which may be satisfactory, by its being founded on justice with or without arbitration, or with an arbitration which may have as a subject matter those points only which should be considered as essential in the matter, and which arbitration should at the proper date be set forth in an agreement which must be submitted to the approval of the Senate of the Republic.

It is a clear fact that the Government, moved as it is by its wish to reach a final decision, cannot but need to that end a full information of all the dates and antecedents of the claims referred to, especially in what it refers to the nationality of the claimants their prop-

erty titles, and the exact and specific circumstance about the date of the fact on which the indemnity applied for rests, about the place in which they took place, and the verification of the exact amount claimed.

It is not possible, indeed, to advance a step forward in this matter of the claims, without knowing before their essential ground of facts in regard to the nationality and the other above mentioned circumstances because if those elements of nationality, of the title of such property as the claimants alleged to belong to them and the setting forth of the facts which, as the claimants allege, justify their claims and its amounts were lacking, it would not be possible to deal with the subject since it would not even have the foundation of fact set forth by the claimants themselves as the grounds for their allegations.

Up to the present time there are on the files of the State Department no other records in regard to these claims than the concise filed in regard to same, and containing the name of the claimant, the place in which it is alleged that the facts took place and the amount in which the claimant appraises his claim, with some other circumstances which do not complete the amount of information that the Cuban Government needs in order to consider, with full knowledge of causes, the problem that is in course of decision.

Accordingly, the Cuban Government believes that it is indispensable for the proper consideration of the matter, that the claims should be filed, together with the documents which should prove the nationality of the claimants, and with those that may also contain the title to the estate of property under discussion with a sworn statement of the fact on which the claim may rest, and of the evidence thereof, as also of such principles of international law as in the judgment of the claimant, may justify the claims, notwithstanding that it is positive that in the majority of the cases the facts have occurred in the course of war, and as a necessary military operation or for necessities of the campaign at the time in which the present Republic of Cuba had not come into existence and in regard to persons who were not neutrals, inasmuch as they lived officially under the flag of Spain when the latter was the sovereign of Cuba, and the respective Governments of the claimants had not granted belligerent rights to the revolutionary Government.

I feel great satisfaction in communicating to your excellency that, with the data and antecedents at hand, the Cuban Government, within the natural and necessary and usual delay in those cases, be able to consider the matter so as to finally decide as to its attitude on those claims, and decide whether, if in fact, the Government of Cuba would be or not justified in accepting in principle and subjecting to evidence all such as may be proper, the propriety of claims of that kind, or in case it should not accept that propriety, whether it would be proper to submit the question of the responsibility of the Republic to an arbitration in the form and terms which might be agreed upon, and which would differ a great deal from the agreement proposed by the powers and with the understanding that if Cuba should acknowledge as liability in that respect or it should be declared by a Tribunal of Arbitration, then and only then would it undertake to decide specific-

ally each one of the claims in accordance with the evidence that may be produced, and with the principles of International Law on those matters.

Nothing, however, of what is stated in the foregoing paragraph would be possible if the above mentioned data and documents of nationality, titles to property and facts causing the claims and its amount are not presented to the Government, for this is the basis which is under discussion and without that ground, even its consideration would not be possible, for it would be regretful to have to employ time and perhaps to have to defray the expenses of an arbitration on claims lacking even the elements of nationality, titles and the other before mentioned circumstances.

On the other hand, the filing of all data heretofore set forth will permit the Cuban Government to examine the claims and duly classify them in order that those governed by the First Transitory Provision of the Constitution of the Republic may be referred to Congress, pursuant to that legal rule, so as for its consideration on evidence that may be required and produced, and the voting of the appropriation necessary for its payment and in regard to the other claims, to decide in view of the merits of each one of them whether the Government of the Republic may go forward to consider them on the ground of their being no doubt as to the alleged nationality and property title, and because the damage which it is alleged to have been caused should be proved, with the purpose of specifying the reasons on which the Government may ground its refusal to pay in opposition to the assertion of the claimants, as sustained by his Government, all of this bringing about the divergence of views, which may justify the recourse to international arbitration as a means of deciding on said divergence, the Government of Cuba presided over by General Menocal showing thereby that it maintains, because it was thus expressed by the preceding Government, its adhesion to the principle of arbitration.

Although it may seem unnecessary, the Government of Cuba wishes that the Government of your excellency should take notice of the declaration which it now makes to the effect that the claims that are to be examined are those contained in the statements filed by the Representatives of the three Powers up to the time that Congress rejected the bill before mentioned, and that it could not admit or receive new claims arising out of acts occurred prior to the Independence of Cuba for in the course of the years elapsed since the advent of the Cuban Republic to international life, on the 20th of May 1902, there has been sufficient time to file the claims, and it is not possible that the Cuban State should be subject to an indefinite period of time to the troubles and inconveniences which will be brought about to its credit and tranquillity by new claims of the nature of such that are under the files of the Department of State, and which will be the ones to be examined at present on being filed in due form, that is to say, as it has been set forth in the foregoing paragraph of this Note.

I avail [etc.]

[Filed copy not signed.]

NOTE.—There is no further correspondence during the remainder of the year.

NAVAL STATION AT GUANTANAMO.[1]

File No. 811.34537/115.

The Secretary of State to the American Minister.

No. 186.] DEPARTMENT OF STATE,
Washington, January 11, 1913.

SIR: Referring to your No. 571 of December 27, the Department desires to say that it submitted the agreement between the United States and Cuba for the enlargement of the Guantánamo Naval Station to the Secretary of the Navy. He points out a slight error occurring in the English text of paragraph 11 of article I.

You will perceive that this paragraph was correct in the draft furnished with your No. 477 of October 23 last, which reads:

"From the western extremity of this line, a curved line running in coincidence with the *northeastern* and northern shore line of Flamingo Cay," etc.

The present agreement substitutes the word "northwestern" for the word "northeastern," an evident error as is shown by the Spanish text, which is correct. It is not known, of course, whether this error also exists in the Cuban original, but I return the agreement forwarded by you in order that correction may be made in both originals if necessary. The correction may be made and signed by the initials of the plenipotentiaries in the margin of the text.

You will return the agreement as soon as possible after correction.

I am [etc.]

P. C. KNOX.

File No. 811.34537/118.

The American Minister to the Secretary of State.[2]

No. 602.] AMERICAN LEGATION,
Habana, January 21, 1913.

SIR: I have the honor to acknowledge receipt of the Department's instruction (No. 186) of the 11th instant, regarding an error committed in the English text of paragraph 11 [etc.].

I have the honor herewith to return our copy of the agreement in which, as the Department will perceive, the error has been appropriately corrected and sanctioned by Mr. Sanguily's initials and my own in the margin. I personally examined the Cuban copy of the agreement and found that the same error did not occur in it.

I have [etc.]

A. M. BEAUPRÉ.

File No. 811.34537/119.

The American Minister to the Secretary of State.[1]

No. 605.] AMERICAN LEGATION,
Habana, January 23, 1913.

SIR: I have the honor to report that rumors for the past week or so have been current in Habana to the effect that there is a disposition in

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[1] Continued from For. Rel. 1912, pp. 293–297.
[2] Receipt acknowledged by the Department on February 4, without further instructions.

the Cuban Senate to defer action upon the recent agreement for the enlargement of the Guantánamo naval station. Some senators are said to pretend that they object to alienating such a large portion of the national territory. It is also said that one of their grounds for holding up this agreement is the failure of our own Senate to approve the treaty made several years ago recognizing Cuban sovereignty over the Isle of Pines; they will, it is said, claim this as a precedent for their own inaction.

I visited the Cuban Secretary of State yesterday morning and discussed these rumors with him. Mr. Sanguily assured me that, while a disposition was indeed apparent upon the part of the Senate to delay action upon the agreement, there was no actual opposition to its terms—the various objections stated being merely pretext for deferring action. He believes that it is the purpose of certain senators to avoid any responsibility in the matter by leaving the approval of the treaty to the next Senate, which will come into office on May 20th, or, in other words, those whose terms now expire (none of whom were reelected) may be looking forward to an opportunity of making political capital among their constituencies out of the fact that *they* were sufficiently courageous to oppose the approval of a treaty alienating to a foreign power a considerable portion of the national territory. Mr. Sanguily is of the opinion that it is possible that they may succeed.

I have [etc.]

A. M. BEAUPRÉ.

File No. 437.00/49.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Habana, March 27, 1913.

The Cuban Congress adjourned March 26 without acting on the Guantánamo matter. New Congress convenes April 6.

BEAUPRÉ.

NOTE.—The proposed treaty expired by limitation June 27, 1913, since by its article 5 a stipulation was made for its ratification within six months from its date: December 27, 1912. See For. Rel. 1912, p. 297.

CUBAN AMNESTY BILL—ATTITUDE OF THE UNITED STATES.

File No. 837.13/2.

The American Minister to the Secretary of State.

[Extract.]

No. 560.] AMERICAN LEGATION,
Habana, December 19, 1912.

SIR: I have the honor to inclose herewith the text, in copy and translation, of an amnesty bill [1] passed by the House of Representatives on

[1] Not printed.

the 16th instant. * * * This bill, in addition to granting amnesty to all those participating in the recent negro uprising, includes in its terms persons guilty of certain minor offenses and (article 2) all public officials or employees guilty of crimes committed before August 12, 1912, in regard to which proceedings were instituted or conviction was had prior to that date. It is understood that this provision will affect only a few convicted officials whom the Executive can not pardon, as well as two or three against whom charges are pending.

The granting of an amnesty to the negro rebels would seem to be an unwise measure in view of the premium which it apparently places upon armed revolt, but there are so many negroes in jail that the Government is placed at considerable expense for their maintenance.

I have [etc.]

A. M. BEAUPRÉ.

File No. 837.13/3a.

The Acting Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, January 6, 1913—7 p. m.

Including, as it does, other than political offenders, this Government fears that the amnesty bill, if enacted as passed by the House, would create an unfortunate impression that common crimes were allowed to go unpunished in Cuba, and that thus crime was not dealt with in the manner found necessary in all countries to the adequate protection of life, property, and individual liberty. You will make clear orally to the Government of Cuba this apprehension which arises from the friendly interest which the Government of the United States necessarily takes.

HUNTINGTON WILSON.

File No. 837.13/4.

The American Minister to the Secretary of State.

No. 585.] AMERICAN LEGATION,
Habana, January 9, 1913.

SIR: Referring to the Department's telegram of January 6, 7 p. m., I have the honor to report that I had an interview with President Gómez this morning regarding the amnesty bill recently passed by the Cuban House of Representatives and explained to him the fears of the Government of the United States that if the bill should become law, including, as it does, other than political offenders, an unfortunate impression would be created that common crimes were allowed to go unpunished in Cuba, and that thus crime was not dealt with in the manner found necessary in all countries for the adequate protection of life, property, and individual liberty. I made this apprehension quite clear to the President, and stated that it arose from the friendly interest which the Government of the United States necessarily takes in such matters.

The President said, in reply, that he thoroughly agreed with the views of the United States Government in this matter; that, as a matter of fact, he had never read the amnesty bill; that he would at once send for it, examine it, and then take such action as he could to comply with your expressed opinions, so that at any rate if the bill should pass it would grant amnesty only to political offenders.

I also called at the Cuban Foreign Office and made similar statements to Mr. Patterson, the Subsecretary of State.

I have [etc.]

A. M. BEAUPRÉ.

File No. 837.13/5.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Habana, March 4, 1913—12 noon.

In final form the amnesty bill covers, in addition to rebellion and incitement thereto, the following common crimes and misdemeanors when prosecutable by the State—that is to say, without formal complaint of alleged party:

ARTICLE 1. Those committed through medium of the press, engraving or other mechanical means, or by word of mouth; those committed by persons who have occupied or occupy the elective offices of provincial governor or mayor, crimes against property or honor and embezzlement excluded; simple or reckless imprudence, and coercion or conditional threats except when accompanied by demands of money or contemplating destruction of property; those committed in connection with workmen's strikes.

ART. 2. Public employees or officials, without prior criminal record, who are serving sentences, provided they make good any civil liability.

ART. 3. Unchanged.

ART. 4. Enlisted men of army and rural guard guilty of perjury.

Amnesty applies to crimes enumerated committed prior to January 1, 1913.

BEAUPRÉ.

File No. 837.13/6.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Habana, March 4, 1913—3 p. m.

Article 2 of amnesty bill as passed is not as reported in my March 4. 12 noon, but reads as follows:

Amnesty is granted for all crimes and misdemeanors committed by public functionaries or employees in the exercise of or in connection with their duties, in respect of which criminal proceedings have been instituted or judgment rendered.

This will result in granting immunity to a large number of public officials against whom graft and embezzlement charges are pending depriving injured parties from securing legal redress.

I shall request President Gomez to defer signature of bill until I can ascertain views of the Department.

BEAUPRÉ.

File No. 837.13/6.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, March 5, 1913—6 p. m.

This Government trusts that the President of Cuba pursuant to his declarations reported by you in your No. 585 of January 9, 1913, will take action to restrict the amnesty to political offenders.

BRYAN.

File No. 837.13/7.

The American Minister to the Secretary of State.

[Telegram—Paraphrase—Extract.]

AMERICAN LEGATION,
Habana, March 6, 1913—7 p. m.

In a note dated today I brought Department's views as expressed in its March 5, to the attention of the President, pointing out the specific instances in which we already knew American interests would be injured and the ends of justice thwarted. I have, however, just received a note stating that the President has determined to affix his signature to the bill in its present form in spite of our objections.

BEAUPRÉ.

File No. 837.13/10.

The Cuban Minister to the Secretary of State.

[Translation.]

No. 9.] LEGATION OF CUBA,
Washington, D. C., March 7, 1913.

MR. SECRETARY: I have the honor to inform you that, by a cablegram of this date, my Government directs me to give to the Government of the United States the assurance that the amnesty law recently voted by the Cuban Congress does not comprise offenses against the law of nations and, therefore, does not affect the status of those who may be found guilty of attacks on the members of the Legation of the United States.

I avail [etc.] ANTONIO MARTIN RIVERO.

File No. 837.13/7.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, March 7, 1913.

You will immediately inform the Cuban Government that the amnesty bill seems to be not only an injustice to the American citi-

zens affected but also to effect such a withdrawal of due protection to property and individual liberty of Cuba as to excite this Government's concern. In view of its rights and obligations under the Treaty of Relations of 1903, the Government of the United States expresses its firm conviction that upon final study of this harmful measure the President of Cuba will not permit it to become a law.

BRYAN.

File No. 837.13/8.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Habana, March 7, 1913.

President Gomez to-day signed the amnesty bill in spite of having full knowledge of the views of Department's March 7, and of the threatened American interests.

BEAUPRÉ.

File No. 837.13/8.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, March 8, 1913—6 p. m.

You will inform the Government of Cuba of the regret and serious concern this Government feels at the adoption of the amnesty bill and of this Government's apprehensions in regard to its possible consequences. Say also that this Government reserves the right to hold the Government of Cuba fully responsible for the injuries to American citizens in violation of their due rights which the amnesty law may cause.

BRYAN.

File No. 837.13/12.

The Cuban Legation to the Department of State.

[Not a translation.]

PRO MEMORIA.

The Secretary of State of the Republic of Cuba has addressed a cablegram to the Cuban Minister in which he states that in his desire, which is shared by the majority of the members of the Cuban Congress, of avoiding any cause or pretext that may tend to alter the cordial relations which exist between Cuba and the United States he has been endeavoring to ascertain what are the features of the amnesty bill, pending of approval by the President, which have

been found objectionable to the Government of the United States, with the view of procuring their elimination.

But the Secretary of State has not been able to glean from the numerous notes addressed to him by the American Minister at Habana what precepts contained in that bill are believed to cause injury in any manner to American or other foreign citizens, as no specific article or paragraph has been pointed out by the American Minister; and he therefore instructs the Cuban Minister to request of the Secretary of State of the United States that he indicate the terms of said amnesty bill that are understood to be injurious, and to that effect copy of the bill, and of the articles of the Cuban penal code[1] referred to in the same, are herewith appended.

The Secretary of State of the Republic of Cuba instructs the Cuban Minister to assure the Secretary of State of the United States that this action is inspired by the earnest desire of the Cuban Government and the people of Cuba of strengthening the bonds of friendship and the cordial feelings that happily exist between the two countries, based upon international comity and respect for their mutual rights.

As the time within which the President of Cuba must sign or veto the above-mentioned bill has almost elapsed, while waiting for a specific objection from the American Minister, the Cuban Minister respectfully requests an early reply, so that the Cuban Government may be enabled to show its good faith and sincerity of purpose on the premises.

LEGATION OF CUBA,
Washington, March 10, 1913.

[Inclosure—Translation.]

LAW OF AMNESTY.

ARTICLE I. Amnesty is hereby granted for the following crimes and misdemeanors prosecutable *de officio:*

(*a*) All crimes and misdemeanors committed by means of printing, engraving, or other mechanical method of publication, or by word of mouth.

(*b*) All crimes committed by individuals who have been occupying or who occupy elective offices of provincial governor or of municipal mayor. Crimes against property, against honor, and those of malversation are excepted.

(*c*) For crimes of disrespect or transgression against authority or its agents.

(*d*) Crimes of rash or ordinary imprudence, of coercion or conditional threats which have not had as their object the demand of money or damage to property, and of the crimes of prolongation or usurpation of office.

(*e*) For crimes and misdemeanors committed by reason of laborers' strikes.

(*f*) All crimes of exciting rebellion, rebellion and crimes related thereto, and unlawful association, with the exception of those included in the first paragraph of article 186 of the penal code.

ART. II. Amnesty is hereby granted for all crimes and misdemeanors committed by public functionaries or employees in the exercise of or in connection with their duties in respect to which criminal proceedings have been instituted or judgment rendered.

ART. III. Amnesty is furthermore granted for crimes of the discharge of firearms against an ascertained person and the discharge of firearms and wounds [sic], provided that they have not left incapacitated the wounded person and without prejudice to civil responsibility.

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[1] Not printed.

ART. IV. Those enlisted in the permanent army and in the rural guard who may have committed the crime of perjury are included in the amnesty.

ART. V. The amnesty which this law comprises shall include the crimes expressed therein committed before the 1st of January of the present year.

File No. 837.13/12.

The Department of State to the Cuban Legation.

AIDE MÉMOIRE.

The Department of State acknowledges the receipt of the Cuban Minister's pro memoria, dated March 10, 1913, wherein reference is made to the amnesty bill recently passed by the Cuban Congress and wherein the Cuban Minister informs the Department that the Secretary of State of Cuba has not been able to ascertain from the numerous notes addressed to him by the American Minister at Habana what precepts contained in the amnesty bill are believed to cause injury in any manner to American or other foreign citizens, adding that no specific article or paragraph has been pointed out by the American Minister, and that the Cuban Minister has consequently been instructed to request of the Department of State that it indicate the terms of the amnesty bill that are understood to be injurious. A copy of the bill and of certain articles of the Cuban penal code accompany the pro memoria.

In reply the Department of State informs the Cuban Minister that the objections to the bill in its provisions other than those providing for the granting of amnesty to political offenders would seem to be manifest from the terms of the bill itself, quite apart from the statements made respecting it in the various communications hitherto addressed to the Cuban Government, as well as from the discussion which the American Legation has had with the Cuban authorities which earlier led to the declaration of the President of Cuba that in view of these objections he would in any event take such action with respect to the bill, if passed, as would cause it to grant amnesty only to political offenders.

It may at this time, however, be reiterated that the bill in its articles 1, 3 and 4 appears to grant amnesty for a large number of common crimes committed both by individuals and by Government officials. In its article 2 it grants without any limitation whatsoever amnesty for all crimes and misdemeanors committed by public functionaries or employees in the exercise of or in connection with their duties in respect to which criminal proceedings have been instituted or judgment rendered. (Reference, of course, is to be made to article 5, which limits the amnesty to crimes committed before the 1st of January of the present year.) Aside from the injury to American citizens and others by the denial of legal recourse for wrongs inflicted upon them by the persons whom these provisions would absolve from responsibility, specific instances of which are understood to have been called to the attention of the Cuban Government, it would appear that in general, as previously indicated, the bill as a result of practically all its provisions would create a situation with respect to the administration of law and the enforcement of justice in Cuba which would seem to

evidence a failure of the Cuban Government adequately to protect life, property and individual liberty.

The objection of this Government, therefore, to the bill is that, in all its provisions, with the exception of those applying to political offenses, it would seem to threaten consequences which both Governments desire to avoid.

DEPARTMENT OF STATE,
Washington, D. C., March 12, 1913.

File No. 837.13/12.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, March 12, 1913.

Inform the Minister for Foreign Affairs that in answer to the Cuban Minister's pro memoria the Department has replied as follows [see *supra.*]

BRYAN.

File No. 837.13/14.

The American Minister to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN LEGATION,
Habana, March 14, 1913.

President Gomez to-day returned the amnesty bill to Congress recommending that it be amended so as to cover only political offenses but without prejudice to right of Congress later to consider grant of amnesty for the other crimes the present bill covers.

BEAUPRÉ.

File No. 837.13/16.

AMERICAN LEGATION,
Habana, March 15, 1913.

The amnesty bill passed House yesterday in amended form, covering political and electoral crimes, as follows:

Amnesty is hereby granted for all crimes committed in connection with the rebellion of 1912; and for crimes of a similar character committed in connection with or in consequence of political or electoral struggles either by individuals or by the press when the penalty is not of the afflictive grade (as defined by code) excepting in the case of the press offenses against the law of nations. Such crimes in order to come within the terms of this amnesty shall have been committed prior to January 1 of the present year.

The so-called electoral offenses—including frauds and all preelection and postelection personal assaults, etc., which can in any way be connected with "political struggles"—are now introduced for the first time.

Speaker Ferrara, seconded by Oscar Soto, the Congressman who acknowledged authorship of libellous attacks on Legation which appeared in Cuban newspaper, introduced a resolution providing for the appointment of a commission to investigate the behavior of the American Government.

BEAUPRÉ.

File No. 837.13/16.

The Acting Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, March 18, 1913—4 p. m.

You will not further press objections to amnesty bill.

HUNTINGTON WILSON.

File No. 711.37/45.

The American Minister to the Secretary of State.

No. 657.] AMERICAN LEGATION,
Habana, March 18, 1913.

SIR: Referring to recent telegraphic correspondence in regard to the amnesty bill, and particularly to my telegram of March 15, I have the honor more fully to report upon the motion presented by Speaker Ferrara and others to the House of Representatives on March 14.

This motion recites in preamble that it is currently reported in the press and elsewhere that in the past few days the Cuban Executive has received "repeated notes" from the Government of the United States affirming that the provisions of the Platt Amendment are opposed to the "measure of clemency" contemplated in the amnesty bill; and while the "representatives of the nation" have not been unaware that for some time one of the parties to the Platt Amendment has been giving it a "broad and erroneous construction," they believe, nevertheless, that if current reports about the notes concerning the amnesty are true, the action of the United States is a "patent violation of the national sovereignty" of Cuba.

"Be it therefore resolved", the motion continues, "that the House appoint a committee of its members, chosen from the several political parties, for the purpose of investigating whether the Government of the United States has formulated demands upon the Government of Cuba which might be regarded as harmful to the sovereignty of Cuba; and that the said committee shall, with the urgency which the question requires, report its findings to the House."

Another motion upon the same subject, signed also by Ferrara and others, was presented at yesterday's session. This motion recites that there is an insistent public demand in Cuba for an authoritative definition "of the true and rightful scope of the Platt Amendment", in view of the many "contradictory interpretations in its application" by the American Government, and cites in this connection the recent utterances of Senator Bacon on this subject in the United States Senate. The motion then provides for a resolution declaring—

First, that the Cuban people have always regarded the Platt Amendment compatible with their independence and self-government with certain restrictions, which in order to guarantee that independence, the several clauses thereof provide.

"Second, that the [Cuban] Congress will oppose any act of a foreign power contrary to the lawful rights of Cuba, and will start a friendly propaganda before the American Congress and people in order to procure the definition and

application of the Platt Amendment in the sense most favorable to the rights of the [Cuban] Government as recognized in the joint resolution.

I have [etc.]

A. M. BEAUPRÉ.

File No. 837.13/18.

The American Minister to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN LEGATION,
Habana, March 20, 1913.

Because of a constitutional technicality the Senate yesterday rejected House amnesty bill.

BEAUPRÉ.

File No. 437.00/49.

AMERICAN LEGATION,
Habana, March 27, 1913.

Congress adjourned. New Congress convenes April 6.

BEAUPRÉ.

File No. 837.13/20.

AMERICAN LEGATION,
Habana, May 1, 1913—10 a. m.

Amended amnesty bill passed House. It grants amnesty not only to those implicated in the negro uprising but also to citizens, including officials, guilty of electoral frauds; of newspaper attacks and libels previous to January 1; of violations of the law in connection with questions of honor (a provision intended to absolve former Speaker Ferrara and others concerned in recent killing in a duel of the American citizen Rudolph Warren); and grants amnesty for the attempt on the life of Congressman André by the President's son.

BEAUPRÉ.

File No. 837.13/20.

The Acting Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, May 1, 1913.

How does the new bill differ from that of the last session?

MOORE.

File No. 437.13/21.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Habana, May 1, 1913—8 p. m.

The bill differs materially only as mentioned in my telegram of May 1, 10 a. m.

BEAUPRÉ.

File No. 837.13/22.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Habana, November 19, 1913.

Department's telegram of March 18 and other correspondence, amnesty bill. A joint committee reported a compromise bill yesterday. It covers, as did the original bill, crimes and misdemeanors relating to the negro uprising of 1912 and also the following:

Offenses committed by public officials in the discharge of their functions who shall have served three months of their sentences and made good the civil liability attaching to such offenses.

Offenses penalized by electoral laws.

Offenses committed by or through or connected with the public press, except personal libel and offenses against the law of nations.

Discharge of firearms resulting in bodily injury not permanently disabling.

Resisting or assaulting officers.

Contempt of court.

Offenses against the person resulting from adultery, and so-called "passional" offenses including assault and attempted murder because of jealousy etc., but not homicide or murder classified in the code as a "crimen" or "delicto."

Offenses related to strikes, lockouts, conspiracy in restraint of trade, etc.

The bill covers all the offenses described that were committed prior to May 20, 1913, except in the cases of the negro uprising where the limit is January 1, 1913.

GONZALES.

File No. 837.13/22.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, November 21, 1913.

You may at an opportune time discuss the matter reported in your telegram of November 19 with the President of Cuba if he seems inclined to approve the bill, pointing out this Government's views in the sense of the Department's telegram of January 6, 1913, 7 p. m. The bill appears to have substantially the same scope as the one of December 16, 1912; in this connection you are referred to the Department's telegrams of March 5, 7, 12 and 18, 1913.

BRYAN.

File No. 837.13/23.

The American Minister to the Secretary of State.

No. 43.] AMERICAN LEGATION,
Habana, November 25, 1913.

SIR: Referring to my telegram of November 19, and the Department's reply of November 21, in regard to the new Amnesty Bill

reported by a joint committee of the Senate and House of Representatives, I have the honor to enclose herewith, in copy and translation, the text of the bill.[1]

Yesterday I had a most satisfactory conversation with President Menocal, during a very informal call, regarding this measure.

There was no occasion to remind the President of representations made to a former administration on this subject by the Department. Upon the subject being mentioned he instantly declared his belief that the measure would not pass Congress; he said he was endeavoring to have it killed because he wished Congress thus to dispose of it for the sake of the country's good name, but that if it passed he would veto it. The President said he had already released all of the "political" prisoners except a handful of men whose general records against law were bad.

I have [etc.]

WILLIAM E. GONZALES.

File No. 837.13/25.

The American Minister to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN LEGATION,
Habana, December 18, 1913.

The President has vetoed the amnesty bill.

GONZALES.

File No. 837.13/26.

AMERICAN LEGATION,
Habana, December 20, 1913.

In his message accompanying the amnesty bill the President said that he vetoed it because of its provisions covering common crimes.

GONZALES.

ZAPATA SWAMP CONCESSION.[2]

File No. 837.6112/25.

The Secretary of State to the American Minister.

No. 185.] DEPARTMENT OF STATE,
Washington, January 11, 1913.

SIR: Referring to instruction No. 159, of October 28th last,[3] on the subject of the Zapata Swamp concession, you are informed that the Department has had a number of conferences with Mr. Isaac K. Champion, representing the Compañía Agricultora de Zapata, the concessionaire of the proposed concession for the reclamation of the Zapata Swamp, and has now concluded its study of the matter.

Mr. Champion, on behalf of the company, has stated that the company is willing and proposes to attempt to have the concession contract amended by the inclusion of new provisions in effect as follows:

(1) A provision attempting, in advance of the proposed survey, to

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[1] Not printed. [2] Continued from For. Rel. 1912, pp. 309–322. [3] Id. 319.

define more exactly the boundaries of the swamp. This refers particularly to the southern boundary, which has been represented by Mr. Champion to be a ridge of high land extending from the eastern to the western limits of the swamp along its southern side, separating the true fresh-water ciénaga from the salt-water marsh to the south of the ridge in the Zapata peninsula.

(2) A substitute provision for the present provisions respecting the rights of the private owners of land within the territory of the swamp, the new provision to provide that the company shall have the right to drain such privately owned land, if not drained by the owners, for a price to be paid by the owners equivalent to the cost of the work of draining their land plus a profit to the company on this work of ten per cent. It is further understood that adequate provision will be made to protect the rights of the private owners with respect particularly to the assessment of this cost.

(3) A provision to the effect that, irrespective of the general grants of privileges to the concessionaire made by the concession contract, all merchantable timber on Government lands drained or to be drained by the company shall remain the property of the Government of Cuba.

As these proposed amendments seem, under the Department's present information gathered from the conferences with Mr. Champion and corroborated by the report of the Consul General's investigation, to obviate the principal criticisms of the measure hitherto made, their incorporation in the concession law and contract would serve to remove the Department's objections to the project communicated to the Cuban Government at the time of the issuance of the Executive Decree of June 18, 1912.

Mr. Champion has been informed of this present position of the Department in the matter and the observation added that this attitude by the Department should not, of course, be taken or used as an endorsement by the Government of the United States of the project as a commercial enterprise.

Referring to the previous correspondence in the matter, you will address a note to the Cuban Foreign Office in the sense of the aforegoing.

I am [etc.]

P. C. KNOX.

File No. 837.6112/25.

The Secretary of State to the American Consul General.

No. 321.] DEPARTMENT OF STATE,
Washington, January 11, 1913.

SIR: The Department is in receipt of your despatch No. 674, of November 20th last,[1] enclosing a report by you on the matter of the proposed concession to the Compañía Agricultora de Zapata. Your No. 675, of November 23rd,[1] making an amendment to the report, has also been received.

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[1] For. Rel. 1912, p. 321.

An instruction was sent to Minister Beaupré on the 11th instant, informing him that Mr. Champion, on behalf of the company, has stated that the company is willing and proposes to attempt to have the concession contract amended by the inclusion of new provisions in effect as follows: [as in the foregoing instruction to the Minister.]

Mr. Beaupré was further informed that as these proposed amendments seem, according to the information now before the Department, to obviate the principal criticisms of the measure hitherto made, their incorporation in the concession law and contract would serve to remove the Department's objections [1] to the project communicated to the Cuban Government at the time of the issuance of the Executive Decree of June 18, 1912; and he was instructed to address a note to the Cuban Foreign Office in the sense of the aforegoing.

Mr. Champion has been informed of this present position of the Department in this matter and the observation was made to him that this attitude of the Department should not, of course, be taken or used as an endorsement by the Government of the United States of the project as a commercial enterprise.

I am [etc.]

P. C. KNOX.

File No. 837.6112/30.

The American Consul General to the Secretary of State.

No. 727.] AMERICAN CONSULATE GENERAL,
Habana, March 20, 1913.

SIR: I have the honor to inform you that the Compañía Territorial de Zapata, the Cuban organization to which was given the concession for the drainage and reclamation of the great Zapata Swamp in the Provinces of Matanzas and Santa Clara, has transferred all its rights, privileges and property to an American corporation, organized under the laws of the State of Delaware, and capitalized for $5,000,000.

The officers of this company state that the work of the survey of this great tract of flooded land will begin as soon as possible and that it will be done by an American firm of the highest standing and reputation. As soon as the engineering questions involved are settled the company purposes to begin the active work of reclamation through an extensive drainage system and to establish various enterprises in connection.

There does not now appear to be any doubt as to the intent of this company to use every effort to forward this great reclamation project. Under even a measurably successful conclusion of the work there cannot fail to be great benefit to all property in the section, and incidentally to all Cuba.

The detail of this work will be reported as soon as there is sufficient data upon which to base a comprehensive description.

I have [etc.]

JAMES L. RODGERS.

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[1] Id. 311.

File No. 837.6112/32.

The American Minister to the Secretary of State.

No. 664.] AMERICAN LEGATION,
Habana, March 22, 1913.

SIR: I have the honor to enclose herewith in copy and translation Decree No. 83, which revives the Zapata concession upon terms which seem to conform with the Department's previous objections.

I have [etc.]

A. M. BEAUPRÉ.

[Inclosure—Summary.]

Decree No. 83 of January 31, 1913, repeals Decree No. 758 of August 14, 1912, which suspended Decree No. 556 of June 18, 1912; this renewal of the operation of No. 556 is made in view of the withdrawal of the objections that had been made [by the United States] thereto, and in view of the amended interpretation to be given that decree, agreed to by the concessionaire, and here stipulated [embodying the amendments mentioned in the instruction of January 11, 1913, to the American Minister].

File No. 837.6112/32.

The Secretary of State to the American Minister.

No. 215.] DEPARTMENT OF STATE,
Washington, April 4, 1913.

SIR: The Department has received your No. 664 of March 22 last in which you enclose a copy and translation of Decree No. 83, reviving the Zapata concession upon terms which, you state, seem to remove the Department's previous objections.

In reply I enclose a copy of the Department's letter of today's date to Mr. Isaac K. Champion, President of the Zapata Land Company.

I am [etc.]

For Mr. Bryan:
ALVEY A. ADEE.

[Inclosure.]

The Secretary of State to Isaac K. Champion.

DEPARTMENT OF STATE,
Washington, April 4, 1913.

SIR: The Department acknowledges your letter of March 19, 1913,[1] in which you enclose a copy of the Gaceta Oficial of February 4, 1913, containing a copy of Presidential Decree No. 83, which appears to put in force Decree No. 556 of June 18, 1912, by accepting the modifications in the latter decree proposed by the Compañía Territorial de Zapata.

The Department has noted your statement that "as agreed in discussing this matter with the State Department at Washington in accordance with my written communications to the American Legation at Habana, all the rights and actions acquired under this concession formerly held by the Compañía Territorial de Zapata, a Cuban corporation, have been duly and legally transferred and assigned to the Zapata Land Company, a corporation organized under the laws of

[1] Not printed.

the State of Delaware." Regarding this statement it should perhaps be observed that the officers of the Department with whom you conferred have no recollection of the agreement you seem to allege between the Department and yourself that the concession rights should be transferred to an American company. This would appear to be a matter which concerns only the concessionaire and the Cuban Government.

I am [etc.]

For Mr. Bryan:
ALVEY A. ADEE.

CONCESSION FOR THE CONSTRUCTION OF A BRIDGE ACROSS THE ENTRANCE TO THE PORT OF HABANA; ATTITUDE OF THE UNITED STATES.

File No. 837.156/26.

The American Minister to the Secretary of State.

No. 683.] AMERICAN LEGATION,
Habana, March 16, 1911.

SIR: Referring to my despatch No. 529 of December 23, 1910,[1] I have the honor to report that by Executive Decree No. 180, dated the 10th instant, published in the Official Gazette (No. 62) of March 15th, a concession has now been granted to one Arturo Dworzak to construct a steel bridge across the entrance to the port of Habana from the "Capitanía del Puerto" to the extreme south part of the fortress "La Cabaña." Work on the bridge is to begin within six months and must be terminated in fifty-four months without obstructing the channel in the meantime.

I have [etc.]

JOHN B. JACKSON.

File No. 837.156/26.

The Acting Secretary of State to the Secretary of War.

DEPARTMENT OF STATE,
Washington, March 24, 1911.

SIR: I have the honor to enclose a copy of a despatch from the American Minister at Habana in which he reports that by Executive Decree a concession has been granted to Arturo Dworzak to construct a steel bridge across the entrance to the port of Habana.

I have [etc.]

HUNTINGTON WILSON.

File No. 837.156/26.

The Acting Secretary of State to the American Minister.

DEPARTMENT OF STATE,
Washington, March 24, 1911.

SIR: The Department has received your No. 683 of the 16th instant in which you report that by Executive Decree a concession has been

[1] Not printed.

granted to Arturo Dworzak to construct a steel bridge across the entrance to the port of Habana.

A copy of your despatch has been forwarded to the Secretary of War.

I am [etc.]

HUNTINGTON WILSON.

File No. 837.156/113.

The American Minister to the Secretary of State.

No. 502.] AMERICAN LEGATION,
Habana, November 15, 1912.

SIR: Referring to my despatch No. 111 of February 15, 1912,[1] to the Department's unnumbered instruction of March 24, 1911, and to previous correspondence, in regard to a concession granted to one Arturo Dworzak for building a bridge across Habana harbor between Habana and Casa Blanca, I have the honor to enclose herewith copy of a letter[1] dated the 13th instant (received today) from the Havana Coal Company, concerning a proposed modification in the plans for this bridge, now pending approval by the Executive, and which, if approved, would, that company alleges, do incalculable harm to its property at Casa Blanca. The grounds upon which the Havana Coal Company objects to the proposed modification of the concession are fully set forth in its letter. The Havana Coal Company is an American corporation controlled by the Berwind-White Coal Mining Company of New York. Its coal-handling plant at Casa Blanca is a large and valuable property.

As it is reported in the press of this city that the President will, notwithstanding an unfavorable report of the Junta de Puertos, probably approve the modified project, I have ventured, pending the receipt of appropriate instructions from the Department, to request the Cuban Secretary of State to cause the matter to be held in abeyance until I should be able to ascertain the Department's wishes. I enclose a copy of my note[1] to the Cuban Secretary of State in this sense.

I have [etc.]

A. M. BEAUPRÉ.

File No. 837.156/117.

The Secretary of State to the American Minister.

No. 177.] DEPARTMENT OF STATE,
Washington, December 13, 1912.

SIR: The Department has received your No. 502 of the 15th ultimo regarding the concession granted to Arturo Dworzak for building a bridge across Habana harbor between Habana and Casa Blanca.

In reply I enclose for your information copies of letters[1] from R. Floyd Clarke, attorney for the Habana Coal Company, dated December [November] 26, 1912, and from J. A. L. Waddell, representative of the Habana Bridge and Loan Company, dated December 2, 1912, in regard to the controversy between the Coal Company and

[1] Not printed.

the Bridge Company as to the location of the piers of the projected bridge, which controversy the Department is informed has now been adjusted. These letters have been referred to the War Department and the Navy Department for their consideration.

Apart from the controversy between the two companies, the Department desires further investigation and report concerning this Government's possible interests in the matter, particularly respecting the land grand [grant] feature of the concession.

I am [etc.]

For Mr. Knox:
HUNTINGTON WILSON.

File No. 837.156/129.

The American Minister to the Secretary of State.

No. 587.] AMERICAN LEGATION,
Habana, January 10, 1913.

SIR: Referring to my despatch No. 502 of November 15, 1912, concerning the protest of the Havana Coal Company against the proposed modification in the plans for building a bridge across Habana harbor between Habana and Casa Blanca, I have the honor to enclose herewith copy and translation of a note dated the eighth instant which I have today received from the Cuban Secretary of State.

I have [etc.] A. M. BEAUPRÉ.

[Inclosure—Translation.]

REPUBLIC OF CUBA
DEPARTMENT OF STATE
No. 67. HABANA, *January 8, 1913.*

MR. MINISTER: With reference to your excellency's esteemed note No. 421 of November 15th last, in regard to certain representations made to the Legation by the Havana Coal Company concerning a project to build a suspension bridge, I have the honor to inform your excellency that the President of the Republic, in his decree of December 12th last accepting modifications in the bridge, took into consideration the suggestions of Mr. Sanborn, secretary of that company, as embodied in a telegram received by the concessionaire, reading as follows:

Sanborn has suggested, and I have agreed, subject to your approval, to change the tangent of the bridge 430 feet to the westward along the wharf (of the Havana Coal Company), thus avoiding any damage to the coal business. The new tangent crosses (the channel) perpendicularly to the wharf (of the Havana Coal Company), cutting the tangent of the southern approach to 390 feet from the extreme end of the intermediate curve. The principal sections of the bridge are not to be changed. The northern approach turns to the right and towards the end again turns to the left and ends approximately 100 feet from the center of the water storage. The two central radia of the new curve measure 160 feet.

I avail [etc.]

G. PATTERSON.

File No. 837.156/129.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, January 15, 1913.

Habana bridge matter. Your despatch January 10, No. 587. This matter has been considered by the War and the Navy Departments

in relation to the interests of the United States and of Cuba, irrespective of the controversy between the coal company and the bridge company. In an opinion recently submitted the Navy Department points out that even under the amended plans the bridge threatens seriously to congest traffic in the narrow harbor entrance and to embarrass the movements of the larger ships; and it emphasizes the consideration that if, either in peace or war, any part of the span were to fall, which could easily be effected with a charge of dynamite, it would close the harbor, shut in vessels on the inside and keep out vessels on the outside.

Inform the Cuban Government of the substance of the foregoing and add that the Department believes that upon consideration thereof the Cuban Government will not be willing to go on with a project so seriously threatening the trade and military interests of the two Governments.

If you find opposition to this view, you will request delay or suspension of action until the two Governments shall have further opportunity to discuss the matter.

KNOX.

File No. 837.156/131.

The American Minister to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN LEGATION,
Habana, January 16, 1913.

I have sent a note in pursuance of your telegram of January 15. It would be well to consider that the land to be ceded to the bridge company is really a military reservation and is the only available place where, except for Camp Colombia, United States troops could be quartered in Havana.

BEAUPRÉ.

File No. 837.156/132.

AMERICAN LEGATION,
Habana, January 25, 1913.

The following reply regarding bridge has been received from the Cuban Secretary of State:

Since the bill in question has been enacted by Congress and approved by the President, the latter has no means at his disposal for suspending its effect; but he intends to defer its execution for a reasonable period in the confident hope that the United States will promptly complete its study of the matter and, if there are no objections to so doing, communicate its findings to the Government of Cuba.

BEAUPRÉ.

File No. 837.156/132.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, January 28, 1913.

You may reply to the Cuban note saying that the reasons already given would seem to demonstrate that from the standpoint of the

mutual interests of both Governments the project is not advisable; nevertheless this Government hopes soon to conclude its study of the matter and will be glad to communicate further with the Cuban Government, and trusts that action will be suspended in the meantime. Respecting the suggested difficulty of suspending action, you may say that it would seem to the Department that a precedent is afforded by the course taken in the Zapata matter.[1]

KNOX.

File No. 837.156/135.

The American Minister to the Secretary of State.

No. 610.] AMERICAN LEGATION,
Habana, January 29, 1913.

SIR: I have the honor to acknowledge receipt of the Department's telegram of January 28 in regard to the so-called Habana-Casa Blanca bridge concession, and to transmit herewith enclosed copy of a note which I today addressed to the Cuban Secretary of State on the matter. As the Department will observe, I have ventured to omit from this note any allusion to the precedent created by the suspension of the Zapata Swamp concession.

The Zapata Swamp concession was granted *by the President* in conformity with the power vested in him by the Law of Waters, a general body of legislation, and was in reality nothing more than a contract. The contract was not to become effective until thirty days after its publication in the Official Gazette, when, if no valid objections were made, the company might claim its contract. During this thirty-day period the Department made its objections to the contract and the President, acting within the authority granted him, suspended the effects of the decree to permit an investigation. Even under these circumstances he suspended his decree only with the consent and at the instance of the concessionary company which preferred to suspend the decree until the project could be made to conform to the wishes of the American Government, thus avoiding subsequent complications.

The bridge concession, on the contrary, was granted by a special bill in Congress which, upon signature by the President, became a law. The decree has been duly published and become a part of the law, and the company has begun work. The President could no more suspend this measure than he could repeal any other piece of legislation.

I have [etc.]

A. M. BEAUPRÉ.

[Inclosure.]

The American Minister to the Cuban Secretary of State.

No. 472.] AMERICAN LEGATION,
Habana, January 29, 1913.

YOUR EXCELLENCY: I have the honor to acknowledge receipt of your excellency's courteous confidential note of the 24th instant, concerning the so-called Habana-Casa Blanca bridge concession.

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[1] See ante.

In reply I am instructed to say to your excellency that while the reasons already indicated in previous correspondence would seem to demonstrate the inadvisability of the project from the standpoint of the mutual interests of both Governments, my Government hopes soon to conclude its careful study of the question, when it will take pleasure in communicating further with your excellency's Government. In the meantime my Government trusts that action in the matter may be suspended.

I avail [etc.]

A. M. BEAUPRÉ.

File No. 837.156/136.

The American Minister to the Secretary of State.

No. 620.] AMERICAN LEGATION,
Habana, February 6, 1913.

SIR: Referring to my despatch No. 610 of the 29th ultimo, in regard to the Habana-Casa Blanca bridge concession, having looked into the question of the right of the Government to annul a concession of this character, I have the honor to report the following upon what I regard as sound legal authority.

It is a well-established principle of Spanish jurisprudence that the Government may at any time revoke or annul a contract or concession, not alone for infraction of any of its terms or conditions by the party or concessionaire but merely on grounds of public interest or convenience. The principle is founded on the rule that the Government may rectify its errors even at the cost or inconvenience of another, because, as distinguished from the errors of a private party, they affect the general public interest. There is such abundant and such a long line of precedent in support of the principle, both in Spain and in Cuba, that no one would venture to question it. The only question that could arise would be as to the authority of the Executive to revoke. Cuba has a constitution and a form of government closely modeled after our own. Many, or in fact nearly all, of the old Spanish laws are still in force in Cuba because no laws better adapted to the changed conditions have been enacted to take their place since the establishment of the Republic. These laws confer upon the Executive many powers that in the United States are legislative, and, in the spirit of the Cuban Constitution, should be so in Cuba. Cuban Executives have, however, largely continued to execute powers of doubtful constitutionality, and their right to do so has never been successfully challenged. In the case in point the concession was granted by Congress; the Executive decrees carrying the act into effect are merely reglementary. On the other hand, according to the practice which ordinarily obtains here in the granting of concessions of this character, Congressional action was necessary in this case only because of the grant of land attached to the concession, the granting of the bare concession being, under the Spanish law, vested in the Executive. Thus viewed, the special act of Congress in this case was merely an enabling act by which the Executive was authorized in this special case to exceed his usual power: his power to grant the bare concession, and consequently to revoke it, being unimpaired. This question is, however, more academic than practical, because it is hardly likely that there would be any opposition to an attempt upon the part of the Executive to revoke the concession.

In the case of annulment of a concession on the ground of public convenience, the established rule is that the concessionaire must be indemnified all actual moneys necessarily expended by him upon the object of the concession up to the time of annulment, with legal interest on each several amount from the date of disbursement to the date of indemnification, plus one year. The amount of the indemnity is usually settled by mutual agreement, or may, by either party, be referred to the courts for ascertainment. It is usual to allow, in addition to actual expenses of execution, if any, all reasonable lawyers' and engineers' fees and expenses legitimately incurred in procuring the concession and in preparing for its execution; but it is very doubtful whether any allowance could be made for "promotion" expenses (procuring capital, etc.) or for any liability that might attach to the concessionaire (abroad, for in Cuba there could be none) by reason of capital and like engagements, or contracts for materials and services. In no case could the potential value of the concession as a prospective profit-earner be considered. When a controversy regarding the reasonableness of expenses upon which a claim for damages is based is referred to the courts for adjudication, the courts may pass freely upon the *reasonableness* of the alleged expenses however good a showing claimant might make as to their *genuineness*.

I have [etc.]

A. M. Beaupré.

File No. 837.156/135.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

Department of State,
Washington, February 8, 1913.

The War Department's report, now received, points out:

1. The bridge project is in conflict with a carefully studied and very desirable plan of harbor improvement projected by a board appointed during the Provisional Government and approved by the Provisional Governor on November 19, 1909.

2. The bridge project, apart from the objections already made by the Navy Department, is declared to be wholly objectionable from the standpoint of the interests of both Governments, principally for the following reasons: The height above the water is insufficient to permit the passage of the wireless masts of large steamers which must be expected to use the port of Habana after the opening of the Panama Canal. The placing of a bridge-pier in the now too small entrance to the harbor will endanger navigation and will prevent widening the channel, which must be effected in the not distant future. The land grant of the concession takes part of the existing military reservation which is required for military uses, including the field of fire required for the fortresses. New defenses for Habana harbor may be required on this reservation and consequently it is imperative that it should not be alienated from the possession of the State.

When communicating the foregoing to the Cuban Government you will say that this Government is so firmly convinced that the project is inadmissably detrimental to the vital interests of both Governments that it confidently expects that the responsible Cuban authorities will not permit its execution, whatever may be the technical difficulties now in the way thereof.

KNOX.

File No. 837.156/134.

The Secretary of State to the American Minister.

No. 195.] DEPARTMENT OF STATE,
Washington, February 13, 1913.

SIR: Referring to the Department's telegraphic instruction of February 8 concerning the Habana bridge project, I enclose a copy of a letter [1] from the Secretary of War dated January 25 last, and a copy of its accompanying report [1] made by Colonel Black of the United States Engineers, dated January 11, 1913, and its enclosures; also a copy of a letter [1] from the Acting Secretary of the Navy dated December 27, 1912, and of the accompanying report of the General Board; also a copy of a statement [1] under date of July 8, 1912, made by Colonel Black respecting the bridge project at the time of his report concerning the ports improvement project.

These reports are sent for such use as the Legation may find it necessary to make of them in connection with its representations to the Cuban Government in accordance with the instructions hitherto issued.

Respecting Colonel Black's observations concerning the force and effect of the adoption by the Provisional Government on November 19, 1909, of the plan of harbor improvement projected by the Government Board appointed in 1907, it may be observed that while under the circumstances, as understood by the Department, the Department is not now disposed to argue upon the question whether or not this project is now legally binding on the present Cuban administration and must be executed unless further formally modified under the laws of Cuba, the Department is of opinion that you might properly call to the attention of the Cuban Government the apparent advantages of the former plan and deplore any interference with it by anything such as the present objectionable project.

Regarding the suggested difficulties in the way of now preventing the consummation of the bridge project, it is to be observed that the Cuban Government in its note transmitted in your telegram of January 25 seems in substance to concede the possibility of suspending its execution and possibly the necessary steps to this end may be taken without great difficulty. However this may be, the Department desires you in your representations to the Cuban Government to leave no doubt as to the unalterable character of the Department's opinion that the project is inadmissibly detrimental to the vital interests of both Governments and as to the expectation that the appropriate measures will be taken to prevent its execution. Respecting the Legation's comparison of the present situation with the Za-

[1] Not printed.

pata situation, it may be noted as of possible service that the law of December 21, 1910, which, according to the Department's information, is the only special law regarding the bridge project, while it looks to the construction of the bridge, seems in the main to be merely an authorization to the Executive to make the land grant which is a feature of the concession. On the other hand, Decree No. 80 of March 10, 1911, which seems to be the original definition of the bridge project proper, makes no specific reference to the law of December 21, 1910, and seems, like the Zapata decree, to rest for its authority on the provisions of general laws—in the present case the Law of Ports and General Law of Public Works.

You will keep the Department informed of the developments in the matter.

I am [etc.]

P. C. KNOX.

File No. 837.156/136.

The Secretary of State to the American Minister.

No. 196.] DEPARTMENT OF STATE,
Washington, February 14, 1913.

SIR: The Department has received your No. 620 of the 6th instant, expressing your views on the possibility of revocation or annulment by the President of Cuba of the Habana-Casa Grande bridge concession.

In reply the Department refers you to its instruction of the 13th instant in regard to the matter. The statements made in your despatch seem to confirm the Department's view that the execution of the concession may be prevented without great difficulty.

I am [etc.]

P. C. KNOX.

File No. 837.156/138.

The American Minister to the Secretary of State.

No. 637.] AMERICAN LEGATION,
Habana, February 26, 1913.

SIR: I have the honor to acknowledge receipt of the Department's instruction No. 195 of the 13th instant concerning the Habana-Casa Grande bridge project, and to transmit herewith enclosed copy of a note, which, in pursuance of the Department's instructions, I addressed to the Cuban Government on the 24th instant.

On that day Mr. A. L. Waddell, representing the firm of Waddell and Harrington, who appear now to be the promoters of the project, called at the Legation and stated that, as he did not consider our objections to the project valid and reasonable, he intended to go ahead "and put the project through despite the objections of the American Government."

The Legation did not endeavor to enter into a discussion with him as it did not consider it within its province, but, at his request, agreed to inform the Department of his intention of going ahead with the construction of the bridge.

I have [etc.]

A. M. BEAUPRÉ.

[Inclosure.]

The American Minister to the Cuban Secretary of State.

No. 501.] AMERICAN LEGATION,
Habana, February 24, 1913.

YOUR EXCELLENCY: Referring to your excellency's confidential note No. 9 of January 24, 1913, in regard to a concession for a bridge across Habana harbor, I have the honor to inform your excellency that my Government has now completed its study of the matter, as a result of which it is convinced that the project is inadmissably detrimental to the vital interests of both Governments, and I am instructed accordingly to express to your excellency's Government the confident hope that appropriate measures will be taken to prevent its execution.

The project is objectionable upon the following principal grounds among others of less import:

1. *Location of piers.*—The channel of Habana harbor is already very narrow for existing traffic. The immediate effect on the location of bridge-piers in the shallower water on either side of the channel will be to divert to the main channel, and thus further congest it, small vessels which can now use the shallower water. The inadequacy of the channel will be further accentuated by the progressive increase in the volume of oversea traffic, and in the size of vessels calling at Habana, particularly after the opening of the Panama Canal. For these reasons the widening of the channel will in all likelihood eventually be found necessary, but obviously could not be accomplished with bridge-piers occupying the space available for the purpose. In this connection attention is invited to a project formulated, after an exhaustive study of the matter, by a board of engineers appointed for the purpose, contemplating certain needed improvements in the littoral between La Fuerza and the Punta. This project was formally sanctioned by the Provisional Governor of Cuba on November 19, 1908, and is described on pages 348 and 349 of Governor Magoon's report for the period between December 1, 1907, and December 1, 1908, and a map is inserted opposite page 390 of the same document. These improvements would seem to be of greater moment to the public welfare than a bridge across the harbor of doubtful or unproven necessity.

2. *Clearance under bridge.*—It seems that as the bridge is now planned the clear (maximum) height from water-level is but 150 feet. While it is true that none of the vessels which regularly call at this port now require a greater clearance, there is a marked tendency to increase, and during the past two tourist seasons larger ships have come here than a few years before had been thought likely. The larger modern vessels plying between European ports and the United States have a mast height of from 156 to 212 feet, and there is a general tendency to increase the height of wireless-telegraph masts. After the Panama Canal is opened much larger vessels will regularly call at this port than at present.

3. *Danger of bridge.*—The possibility that the bridge might, through accident or design, be dropped into the harbor, and thus completely block egress and ingress, is regarded by my Government as one of the serious disadvantages of the project—a compelling consideration, in fact, which outweighs in itself any advantages which friends of the bridge might claim for it. In case of war no more effectual nor an easier method could be found to blockade the harbor.

4. *Cabaña Military Reservation.*—The alienation of the excellent military reservation back of Cabaña fortress must, upon mature reflection, seem to the Cuban Government, as it does to my own, very ill-advised. This is the only State land close to the city suitable for a military encampment, and it is necessary, moreover, as a field of fire for the Cabaña and Morro fortresses; for, while the fortresses themselves are out of date, new defenses for this harbor will eventually be required on this reservation, and none of it ought, therefore, to be alienated from the State.

There are other considerations scarcely less compelling than the foregoing—such, for instance, as the marring effect which a bridge across the entrance to Habana harbor would have upon its enviable and universally admired beauty and picturesqueness—into which I need hardly enter.

The friends of this bridge may cite, in attempted refutation of these arguments, the examples of bridges in other ports of the world; but they can hardly point to a bridge *across the very entrance* of a harbor of the commercial and naval importance of Habana.

It has been suggested that under the Constitution and laws of Cuba the Executive could not legally annul this concession. I understand, however, that it is a well-established principle of Spanish, and consequently of Cuban, jurisprudence that the Government may at any time revoke or annul a contract or concession, not alone for infraction of any of its terms or conditions by the party or concessionaire but merely on grounds of public interest or convenience; for the rule is universally accepted that a State may rectify its errors even at the cost or inconvenience of another, because, as distinguished from the errors of a private party, they affect the general public interest. The fact that in this case the concession was authorized by an act of Congress should have little or no bearing; for, after all, the Congress merely authorized the Executive to exceed a power already vested in him by the laws in force; that is to say, to grant, in addition to the bridge concession, certain public lands desired by the concessionaire. Thus viewed, this special act of Congress is no more mandatory than the Law of Waters or other general laws ordinarily applicable.

I avail [etc.]

A. M. BEAUPRÉ.

File No. 837.156/138.

The Secretary of State to the American Minister.

No. 210.] DEPARTMENT OF STATE,
Washington, March 13, 1913.

SIR: The Department has received your No. 637 of February 26, 1913, regarding the Habana-Casa Blanca bridge project.

You will endeavor to keep yourself informed of the developments in the matter and promptly advise the Department.

I am [etc.]

For Mr. Bryan:
HUNTINGTON WILSON.

File No. 837.156/142.

The Secretary of State to the American Minister.

No. 231.] DEPARTMENT OF STATE,
Washington, June 11, 1913.

SIR: The attention of the Department has been called to a concession granted by the late administration to Messrs. Waddell and Harrington for the building of a bridge across the harbor at Havana. This matter was brought to the attention of this Government last spring, and both the War and Navy Departments set forth objections, which you will find in the records of your office.

It was not claimed at the time that the Platt Amendment gave this nation a right to do more than protest against such an enterprise, but the Department acted upon the theory that anything deemed inimical to the interests of both Governments was a proper subject for a frank exchange of official opinions, and expressed itself with great emphasis against the wisdom of permitting the construction of the bridge at the point mentioned in the concession.

Should the subject come up again for consideration you are at liberty to inform the Cuban Government that the objections urged by the War and Navy Department [Departments] under the last administration are still entertained by those Departments; and that this Government, while it does so with great respect and with a full recognition of the Cuban Government's independent rights, considers it

its duty to reiterate very earnestly the objections then urged to an enterprise so manifestly inconvenient and threatening seriously and injuriously to affect the navigation and defense of the port of Havana and still wishes to express the confident hope that the Government of Cuba will find it consistent with the interests of Havana and the welfare of Cuba and with its own obligations to discontinue it.

I am [etc.] W. J. BRYAN.

File No. 837.156/146.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Habana, June 23, 1913.

The President of Cuba advises me that in conformity with the views of the Cabinet he will soon send a message to Congress recommending repeal of the law of December 21, 1910. He adds that our views regarding the bridge matter are shared by the present Government of Cuba.

BEAUPRÉ.

File No. 837.156/176a.

The Secretary of State to the American Minister.

No. 21.] DEPARTMENT OF STATE,
Washington, December 1, 1913.

SIR: Referring to previous correspondence regarding the concession granted by the Cuban Government to Messrs. Waddell and Harrington for the building of a bridge across the harbor at Habana, you are instructed that the Department desires you to inform the Cuban Government that, in view of the changes that have been made in the plans of this work for the express purpose of fully meeting the objections raised by the War and Navy Departments of this Government against the plans previously submitted by Messrs. Waddell and Harrington, which changes have caused these Departments to modify their objections, this Government feels constrained to withdraw its opposition to the project as heretofore communicated to the Cuban Government by the Legation, thus placing the matter in the position which it occupied prior to the exchange of communications between the two Governments relative to the original plans of the concessionaires.

I am [etc.]

W. J. BRYAN.

File No. 837.156/178.

The American Minister to the Secretary of State.

No. 52.] AMERICAN LEGATION,
Habana, December 22, 1913.

SIR: I have the honor to report that, having in pursuance of the Department's instruction of December 1 communicated to the For-

eign Office in the terms of the instruction the withdrawal of the Department's previous objections to the project of building a bridge across Habana harbor, I have received a note from the Cuban Secretary of State on this subject. After reminding me that by Decree No. 341 of June 30, 1913, the President had declared null and void President Gómez's Decree No. 180 of March 10, 1911, embodying the original concession, as well as the Amendatory Decree No. 1076 of December 12, 1912, he states that "the President maintains in full force and effect his aforesaid decree of June 30 last, because the same legal reasons which prompted its issue still exist, that is to say, because the two decrees so annulled were flagrant violations of the law, embodying substantial defects in the concession."

I have [etc.]

WILLIAM E. GONZALES.

CAIBARIÉN-NUEVITAS RAILROAD PROJECT—ATTITUDE OF THE UNITED STATES.

File No. 837.77/58a.

The Acting Secretary of State to the American Minister.

[Telegram—Paraphrase—Extract.]

DEPARTMENT OF STATE,
Washington, March 5, 1912.

Information received by Department forecasts an attempt to renew a project of British capitalists to rush through Cuban Congress concession for railroad from Nuevitas to Caibarién.

You will earnestly urge upon the President the desirability of postponing final action on this bill sufficiently to allow the fullest investigation and consideration, emphasizing the burden it would impose on the Cuban Treasury in favor of capital which is neither American nor Cuban.

WILSON.

File No. 837.77/59.

The American Minister to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN LEGATION,
Habana, March 6, 1912.

The President promises to see that consideration of the railroad bill is deferred to the next Congress, the present one being about to adjourn.

BEAUPRÉ.

File No. 837.77/69.

AMERICAN LEGATION,
Habana, May 14, 1912.

If the Department wishes to object to the Nuevitas-Caibarién railway matter the Legation should be instructed at once as the project is now under discussion in Congress.

BEAUPRÉ.

File No. 837.77/69.

The Acting Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, May 14, 1912.

The Department cannot give its approval to the railroad project in its present form if its understanding thereof is correct.

WILSON.

File No. 837.77/70.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, May 22, 1912.

You may inform the Cuban Government of the substance of Department's telegram of May 14. As the railroad project is now framed, the Department feels that it is probably an improvident strain on the Cuban Treasury.

KNOX.

File No. 837.77/73.

The American Minister to the Secretary of State.

No. 273.] AMERICAN LEGATION,
Habana, May 25, 1912.

SIR: Referring to Department's telegram of May 22, in regard to the proposed Nuevitas-Caibarién railway, I have the honor to enclose copies of communications received from the President and Secretary of State of Cuba in reply to an informal note from me, communicating the substance of the Department's telegram of May 14th.

I have [etc.]

A. M. BEAUPRÉ.

[Inclosure 1—Translation.]

The President of Cuba to the American Minister.

PRESIDENT'S OFFICE.
Habana, May 23, 1912.

MY DEAR MR. MINISTER: When we talked some time ago about the subject matter of your note of today's date you were unable to explain why I should oppose the bill for the construction of the Caibarién-Nuevitas railroad as now passed by Congress. The constitution requires that when the President of the Republic vetoes an act he shall return it to the Congress with his reasons for not sanctioning it. I can find no ground whatever for disapproving an act of Congress providing for a work which is regarded as so beneficial to the country. I regret, therefore, that I am not able to please you, and beg that you will so inform the Department of State of the United States.

Yours very truly,

JOSÉ M. GÓMEZ.

[Inclosure 2—Translation.]

The Secretary of State of Cuba to the American Minister.

No. 515.] DEPARTMENT OF STATE,
Habana, May 25, 1912.

DEAR MR. MINISTER: I received with much pleasure your note of the 23d instant inclosing copy of a personal note of the same date addressed by you to the President of the Republic, in regard to the bill pending in Congress for the construction under subsidy of the Caibarién-Nuevitas railroad.

Undoubtedly there has, in my judgment, been an error in the statement contained in the note in question, that, as the Department of State of the United States now understands the circumstances, it cannot approve the bill in its present form; for bills pending in our co-legislative bodies become laws when passed by both bodies and approved by the President of the Republic, in whom alone the power is vested to veto them when he deems it appropriate; and therefore I cannot conceive that in the present legal status of the relations between Cuba and the United States any Cuban law, and much less any bill pending in our Senate or Chamber of Representatives, is at any stage pending the approval of the Department of State at Washington, or that it requires such approval to become effective.

Very sincerely yours,

MANUEL SANGUILY.

File No. 837.77/72.

The Chargé d'Affaires of Great Britain to the Secretary of State.

BRITISH EMBASSY,
Washington, May 31, 1912.

SIR: The Cuban House of Representatives has within the last few days approved the grant of a subsidy to the North Coast Railway Company (Compañía del Ferrocarril de la Costa Norte de Cuba) for the construction of a line from Caibarién to Nuevitas south of the Sierra de Bamburanao. I understand that the Cuban Senate may be expected to approve this subsidy very shortly.

On the 29th of February last the Cuban Railway Commission finally approved plans submitted by the Cuban Central Railways Ltd. for a line between these same two points, but by a different route, namely north of the Sierra. In view of this fact, when the question of the grant of a subvention for such a line was first raised in Congress, the Cuban Central Railways addressed a petition to that body asking that this subvention should be granted to them as being the only company which had complied with the requirements of the present railway law, as proved by the certificate from the Railway Commission. It now seems however that the claim of the company is to be disregarded, although the route projected by them is apparently the more practical and although, moreover, they are prepared to build it without the grant of any subsidy.

Your Government has, I understand, already received full information through the American Legation at Havana, regarding the objections raised by the Cuban Central Railways to the proposed subsidy to the North Coast Railway Company. It is therefore unnecessary for me to enlarge upon those objections or to point out the very grave prejudice which would result to the interests of that line, should the present proposal be carried into effect.

His Majesty's Government regard the action of the Cuban Congress as constituting a serious infringement of existing rights and

under these circumstances feel themselves obliged to enter a strong protest against the unfair treatment of British interests and capital which appears to be contemplated by the Government of that Republic. His Majesty's Minister at Havana has accordingly been instructed to make such a protest.

I am at the same time directed by His Majesty's Principal Secretary of State for Foreign Affairs to acquaint you with these instructions and to express the hope that your Government will be willing to support the action of His Majesty's Government and to assist them in securing an equitable settlement of the present difficulties.

I have [etc.]

A. MITCHELL INNES.

File No. 837.77/74.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Habana, June 4, 1912.

The Senate passed the Nuevitas-Caibarién railroad bill on June 3.

BEAUPRÉ.

File No. 837.77/74A.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, June 8, 1912.

The British Embassy represents that it is informed that the Cuban Central Railroads, Limited, a British company, has been granted the concession for the Caibarién-Nuevitas road and has begun construction; and that the rival project is simply a swindling scheme directed against the British company's vested interests.

KNOX.

File No. 837.77/75.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Habana, June 9, 1912.

I am convinced that the British Embassy has not been correctly informed. No vested rights in the country between Nuevitas and Caibarién belong to the Cuban Central, the company's interest lying wholly west and south of Caibarién. The "concession" referred to is merely the Railroad Commission's approval of plans for constructing a road from Nuevitas to Caibarién along a route chosen by the company, north of the hills. Any company or individual may upon fulfilling the simple requirements of the law at any time obtain such

approval for any number of roads from Nuevitas to Caibarién. The Cuban Central has not actually begun building, but has only broken ground, in order technically to set up this contention when it became evident that the bill would certainly pass. The Cuban Central people did not originate the project but became interested in it after the rival company had formulated it and a bill had been presented in Congress. They have merely been rival suitors for the subvention, but insisting that the road should be constructed northward of the hills as far as Morón through a narrow valley settled and occupied by an American railroad which has not received a subvention. Congress, keeping in mind the principal purposes of subventions, chose almost unanimously the route south of the hills, where the country was unsettled and needed development, in preference to the northern route through country already developed. The Cuban Central people have said that they do not want the southern route, because, on account of costly construction, the venture would be an unprofitable one. Their purpose, apparently, in drawing plans for the northern route, filing them with the Railroad Commission, and then breaking ground, has been to influence Congress into adopting that route.

BEAUPRÉ

File No. 837.77/75.

The Secretary of State to the Chargé d'Affaires of Great Britain.

No. 1529.] DEPARTMENT OF STATE,
Washington, June 14, 1912.

SIR: I have the honor to acknowledge your note of the 31st ultimo in which you state that the Cuban House of Representatives has approved the grant of a subsidy to the North Coast Railway Company of Cuba and that His Majesty's Government regards this action as an unjust infringement of the existing rights of the Cuban Central Railways, Limited, a British company, and has accordingly instructed His Majesty's Minister at Habana to enter a strong protest.

In reply to your suggestion that the Government of the United States support the action of His Majesty's Government on behalf of the Cuban Central Railways Company, and referring to the several conferences between the Embassy and officers of the Department, I regret to inform you that the Department under the circumstances does not see its way clear to take the action desired.

I may say at the outset that upon its information it has been the Department's view that the merits of the respective pretensions of the British company and the North Coast Railway Company have constituted an open question. For example, it may be observed that from a report received from the American Legation at Habana in April last there appeared to be at least a serious doubt as to whether the British company's claim of priority was, under the facts and the applicable provisions of Cuban law, sustainable. In this view of the matter and in view of the further fact that it has been represented that the North Coast Railway Company, though a Cuban corporation, will be substantially an American enterprise, the action desired has appeared to be open to misconstruction and to place this

Government on the surface of the matter at least in the embarrassing position of taking sides with a British company in a controversy with American interests, the merits of which are, at best, still to be determined. This difficulty has been further intensified by the controversy between the two companies as to the route to be adopted, in which connection petitions have been addressed to the American Legation at Habana by a number of American citizens who own and are operating railroads in the territory proposed to be traversed by the British line, protesting against the selection of the route chosen by the British company as detrimental to the interests and welfare of their properties.

Finally, I may say that the Department's view of the facts indicated above would seem to be verified and its conclusions fully warranted by its latest information in the matter from the American Legation at Habana. Following the conference on the 7th instant between yourself and officers of the Department, the American Legation was instructed by cable to report on the present situation in the light of your information that the concession for the Caibarién-Nuevitas railway had actually been given to the Cuban Central Railways, Limited, and that this company had commenced construction and that the rival project was an enterprise directed in bad faith against the British company's vested interests. In response to this instruction, the Department has received a cable report from the Legation, of which the following is a paraphrase:

[Here follows the telegram of June 9 from Mr. Beaupré.]

Accept [etc.]

P. C. KNOX.

File No. 837.77/84.

The British Ambassador to the Secretary of State.

BRITISH EMBASSY,
Washington, November 27, 1912.

DEAR MR. SECRETARY: I have the pleasure to enclose to you herewith a copy of a letter[1] which I have received from Sir William Lawrence Young, the Chairman of the Cuban Central Railway Company, whom I introduced to you yesterday. The letter sets forth the grounds of complaint which his Company have against the action recently taken in Cuba by the Government there which they conceive to be very injurious to the interests of this important British company, whose undertaking is of high standing and the operations of whose railroads are rendering great service to Cuba.

It will be very good of you if you will take the matter into consideration and cause enquiries to be made into the statements which are set forth in the letter on behalf of the company and if, when you are satisfied of the strength of the case which the company makes, you will take such steps in the matter with a view to the interests of justice and right dealing and for the safeguarding of the legitimate interests of the company as you may think fit.

I am [etc.]

JAMES BRYCE.

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[1] Not printed.

File No. 837.77/85.

The British Ambassador to the Secretary of State.

BRITISH EMBASSY,
Washington, November 30, 1912.

DEAR MR. SECRETARY: With reference to my letter of November 27th I have the pleasure to enclose herewith copy of a further letter[1] which I have received from Sir William Lawrence Young, the Chairman of the Cuban Central Railway Company. The letter encloses certain further information[1] regarding the complaint of his company which was omitted by mistake from the enclosures in his former note.

I shall be grateful if you will take this further information into consideration in dealing with the case.

I am [etc.]

By direction of the British Ambassador:
EUSTACE PERCEY.

File No. 837.77/86.

The British Chargé d'Affaires to the Solicitor of the Department of State.

BRITISH EMBASSY,
WASHINGTON.[2]

DEAR MR. CLARK: The Ambassador asks me to send you the enclosed further letter[1] from the Chairman of the Cuban Central Railway giving additional information with reference to the recent concession granted to the North Coast Railway Company. Mr. Bryce wishes me to express the hope that this letter with its enclosures will be taken into consideration in the investigation which the State Department is now undertaking.

Yours sincerely,

A. MITCHELL INNES.

File No. 837.77/86A.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, December 4, 1912.

The complaint of the Cuban Central Railway Company against the Nuevitas-Caibarién project has been brought to the Department's attention by the British Embassy, accompanied by a request for this Government's investigation and for such action as the disclosed facts may warrant. It is alleged in the documents submitted by the Embassy that: (1) The decree accepting the proposal of the North Coast Company is illegal because it violates rights of the Cuban Central Company already possessed; provides in an illegal manner for the payment of the subvention; makes the award contrary to the law relating to bids; and ignores the proper formalities in mak-

[1] Not printed
[2] Not dated; left with the Solicitor by Sir William Lawrence Young, December 2, 1912.

ing awards for lines other than the Nuevitas-Caibarién. (2) The award to the North Coast Company was financially and economically unwise because the subvention was at an essentially higher figure than was asked by the Cuban Central Company, which, moreover will build the line without any subvention whatever if given reasonable time; under the bid and award the North Coast Company may build the road with Government money and then withdraw the road from public service and make it a private road: the North Coast Company is newly organized and not heretofore engaged in railroad building and operation, whereas the Cuban Central Company is a successful going concern; and the conclusion that the Cuban Central project was the better one is corroborated by technical reports to that effect by the Inspector General of Railroads and by the Secretary of Public Works, which were ignored by the President in making the award. (3) According to the best information received by the Cuban Central the North Coast promoters have private assurances from a high Cuban official that the Cuban Government will undertake to guarantee the several million of bonds that the North Coast Company proposes to float, if such a guaranty become necessary in order to sell the bonds.

The legality or illegality of the Executive's action in awarding the contract is not one for this Department at this time: but you will observe that (2) and (3) above involve the use of the Government's funds and the possible increase of the Government's obligations; they are accordingly of immediate interest to this Government, in pursuance of the policy outlined in the Department's instruction No. 123 of August 15, 1912.[1]

You will bring these allegations to the serious attention of the President of Cuba, pointing out that a proper disposition to avoid future trouble in the matter would seem to require his renewed and serious consideration of the question, in order that no action shall be taken either involving the Government of Cuba in future difficulties or constituting an improvident use of national funds and credit or increasing the national financial obligations. You will at the same time avoid giving the impression that this Government is espousing either project as against the other.

Investigate carefully the allegations made by the Cuban Central Company and report.

KNOX.

File No. 837.77/87.

The American Minister to the Secretary of State.

No. 530.] AMERICAN LEGATION,
Habana, December 5, 1912.

SIR: Referring to your telegraphic instructions of December 4, I have the honor to enclose herewith copy of a note which I have today addressed in pursuance of your instructions to His Excellency the President of the Republic of Cuba.

I have [etc.]

A. M. BEAUPRÉ.

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[1] For. Rel. 1912, pp. 314–315.

[Inclosure.]

The American Minister to the President of Cuba.

No. 431.] AMERICAN LEGATION,
Habana, December 5, 1912.

YOUR EXCELLENCY: In pursuance of telegraphic instructions from my Government I have the honor to inform Your Excellency that the Embassy of Great Britain in Washington has called the attention of the Department of State of the United States to the complaint made by the Cuban Central Railway Company in relation to the proposed Caibarién-Nuevitas railroad, and has requested that my Government make an investigation of the matter and take such action as the facts disclosed should warrant.

In the documents submitted by the British Embassy with the complaint it is alleged:

First. That executive decree accepting the North Coast Company's proposal is illegal for the reason, among others, that it violates rights already possessed by the Cuban Central Company under early charters; that payment of the subvention contrary to existing law is provided by it; that the considerations under the terms of the law calling for bids upon which the award was based were not within the legal cognizance of the Executive; and that without proper formalities awards were made for lines other than the Caibarién-Nuevitas.

Second. That, financially and economically, the award to the North Coast Company was unwise and inexpedient, for the reasons, among others, that the subvention awarded the North Coast Railway Company was essentially higher than that asked by the Cuban Central Railway; that without any subvention whatsoever the Cuban Government [sic] will build the road if given a reasonable time; that by terms of the bid and award the road may be built with Government money by the North Coast Railway Company and then, by withdrawal from the public service, become a private road; that, whereas the Cuban Central Railway is a concern successful and of established standing, the North Coast Railway is a new concern never before having built and operated railways; and that technical reports made by the Inspector General of Railroads and by the Secretary of Public Works bear out the fact that the Cuban Central was the better project, these reports when making the award being ignored by the President.

Third. That according to the best information received by the Cuban Central, private information has been given by a high Cuban official to the promoters of the North Coast Railway that several millions of bonds which the North Coast Company proposes to float will be guaranteed by the Government of Cuba should such guaranty be necessary for selling the bonds.

While the question of the legality or illegality of executive action in awarding the contract does not appear to be one for my Government at this time, the foregoing points second and third, involving as they do the use of Government funds and the possible increase of the Cuban Government's obligations, are, pursuant to the policy outlined in Mr. Gibson's note [1] addressed to Your Excellency on August 20, 1912, concerning the Zapata Swamp Concession, of immediate interest to my Government.

I am instructed to bring these allegations seriously to the attention of Your Excellency, and to point out that a proper disposition to avoid future trouble with reference to this matter would appear to require that Your Excellency give the question renewed and most serious consideration, in order that no action shall be taken which will either involve the Cuban Government in future difficulties or will constitute an improvident use of national funds and credit or an increase of national financial obligations. While earnestly pointing out the above considerations to Your Excellency, I desire to avoid giving the impression that my Government is espousing either project as against the other.

I avail [etc.]

A. M. BEAUPRÉ.

[1] For. Rel. 1912, pp. 314-316.

File No. 837.77/86.

The Secretary of State to the British Ambassador.

DEPARTMENT OF STATE,
Washington, December 9, 1912.

MY DEAR MR. AMBASSADOR: I have the honor to acknowledge the receipt of your note of November 27th, enclosing a letter to you from Sir William Lawrence Young, the Chairman of the Cuban Central Railway Company, concerning the complaint of his company against the action recently taken by the Cuban Government in the matter of the North Coast Railway concession. I have the pleasure of informing you that the substance of this letter, as well as of the enclosures of Lord E. Percey's note of November 30th and of Mr. Mitchell Innes's note left with Mr. Clark on the 2d instant, has been communicated by telegraph to the American Minister at Habana with instructions to investigate and report on the matter.

I am [etc.]

P. C. KNOX.

File No. 837.77/90.

The American Minister to the Secretary of State.

No. 538.] AMERICAN LEGATION,
Habana, December 11, 1912.

SIR: Referring to previous correspondence in regard to the Caibarién-Nuevitas railroad, I have the honor herewith to transmit copy and translation of a note dated the 10th instant which I have received from the Cuban Secretary of State in reply to a note which, in pursuance of the Department's telegraphic instruction of December 4, I addressed to the President and of which a copy was transmitted to the Department with my despatch No. 530 of the 5th instant.

I have [etc.] A. M. BEAUPRÉ.

[Inclosure—Translation.]

The Cuban Secretary of State to the American Minister.

DEPARTMENT OF STATE.
Habana, December 10, 1912.

MR. MINISTER: With reference to the note dated the 5th instant which your excellency addressed to the President of the Republic, and of which you kindly sent a copy to this Department, I am instructed by the President of the Republic to reply thereto in his name as follows:

In the first place, the receipt of the note in question could not but have surprised the President, inasmuch as it was written at the instance of a friendly nation which has a duly accredited representative here, whose representations have always been heeded as far as possible, as in respect of this same matter when his request for postponement of the date of the subasta for the Nuevitas-Caibarién railroad concession was granted; and, moreover, because the only point which can be regarded as worthy of attracting the attention of your excellency's Government is as a matter of fact the most groundless, that is to say the statements attributed to a high Cuban official whose name is not mentioned and who in making them disregarded the fact that they are clearly repugnant to our laws, statements which are, even cursorily examined, so extravagant

["contrarias a la realidad"] that they need not have caused a moment's anxiety to your excellency's Government.

The British Embassy alleges, as the first ground of its complaint on behalf of the English company, that the latter had vested rights under prior concessions; but this statement is not correct, inasmuch as the Cuban Central cannot claim any concession of the new line to which the subasta referred; that company merely filed with the Railroad Commission a project for building a railroad from Nuevitas to Caibarién to the north of the Bamburanao hills, and the Commission reported that said project accorded with the necessary technical requirements, which did not vest any right in the company; indeed, the company itself withdrew the project in question upon the announcement being made that Congress had authorized a subvention for a line south of the hills, in which action the company was prompted by the purpose of taking part in the subasta and by the wish to remove any objection to the admission of its bid. Hence the Cuban Central, which took part in the subasta as a bidder and previous to that had asked for a postponement of the subasta, cannot now reasonably allege the incompetence of the Executive. The proposals of the Cuban Central were carefully examined and duly compared with those of the North Coast Railway Company, in the resolution by which the construction of the proposed railroad was awarded to the latter company.

It is also alleged that lines other than the Nuevitas-Caibariên line were granted without due formalities, reference being apparently had to the Camagüey-Santa Cruz del Sur railroad, in disregard, however, of the fact that the construction of this line was authorized by the act of July 5, 1906, and of the fact that article 6 of that act provides: "that after one year from the date this act becomes effective the Executive may contract for the construction of the railway lines enumerated" (there were others in addition to the line mentioned) "if solicited by any person or company." Hence in conformity with the provisions of that law other lines were previously contracted for upon the mere application of some company without any protest in consequence thereof; and in the case referred to in the note the North Coast Company made application for building the Camagüey-Santa Cruz del Sur Railroad. That company was the only one that had applied therefor during the six years in which the offer was open without a taker, and there was no cause or reason for refusing said company the concession merely because application was made simultaneously for another line.

Up to this point I have referred to the first paragraph of the document embodying the complaint of the British Embassy. As to the second paragraph, in which it is alleged that the award is economically unwise because the subvention granted to the North Coast Company is higher than that asked for by the Cuban Central, it should be borne in mind that the first thing that the Cuban Government did was to make a comparative examination of the two proposals that had been formulated, as a result of which, as set forth in the resolution, the Cuban Government observed that the proposal of the North Coast Company offered, in free transportation and the creation of new sources of taxation, effective and permanent advantages to the State of far greater import than the saving of one thousand dollars per kilometer offered by the proposal of the Cuban Central.

The Cuban Central now states that it will build the line without subvention if given a reasonable time in which to do it. This offer is untimely and cannot be taken into consideration. When that company went to the subasta, among the proposals that it made and which were the only ones that the Cuban Government could take into consideration, there was none offering to build the line without a subvention; and since the subasta has been held and the concession awarded, it is impossible to admit such offers, because they are too late and are inapplicable, particularly when the offer is qualified by the condition called "a reasonable time", which is in itself a very elastic phrase that might readily give rise to constructions contrary to the text of the law which, in providing for the subvention of the line and directing an immediate subasta, sought to avoid delay in its construction and did not leave the question of time to the convenience of any company.

It is added that the concessionaire may build the railroad with the subvention and thereafter withdraw it from public service, which is a manifest error because such an outcome is absolutely impossible inasmuch as the concession was granted under the specific and unavoidable condition that the railroad should be for public service, to which may be added the fact that obligations of the company have been accepted giving the railroad that character.

The allegation of the Cuban Central that it is a going concern while its competitor, the North Coast Company, is a new concern and has never operated railways, is an argument that per se could not very well be taken into consideration. The Cuban Government could not take such circumstances into account but could only examine the respective advantages offered and the guaranties given in assurance of the fulfillment of the obligations to be contracted; particularly because, if such an argument were admitted as valid, the necessary consequence would be the institution of a kind of privilege—in every aspect unconstitutional and unjustifiable—in favor of companies already established, which would result in closing the doors to new companies, national or foreign, which might, to the advantage of Cuba, seek to invest capital in the construction of railroads.

It is also incorrectly stated that the Executive failed to take into due account the technical reports favorable to the Cuban Central, when as a matter of fact he did take them so carefully and intelligently into account that, finding the proposal of the North Coast Company too ample and favorable in relation with the bond prescribed by the law, the Executive demanded that that company double the amount of its bond.

It is stated in the third paragraph that, according to advices received from the Cuban Central, a high official of Cuba has promised that the Government of Cuba would guarantee the bonds issued by the concessionary company if necessary for their sale. It is a pity that so gratuitous an imputation should be made in respect to the Government of Cuba by a company of presumably reputable and sound standing, for such a thing is contrary to our laws, according to which Congress alone is competent to place obligations upon the Treasury, and Congress itself is competent only upon compliance with the provisions of the Constitution prescribed for that purpose, and also taking into account the prohibitions contained in the Appendix to the Constitution.

It is therefore clear that no official, however high his rank, can guarantee future obligations of that kind; and up to the present neither the Government nor anyone in this country has any knowledge of such a financial operation, which would, as stated, require the intervention of Congress, whose deliberations are public; there would in any event therefore be sufficient opportunity for observations which are now groundless and unreasonable.

The Government of the United States in transmitting through diplomatic courtesy the note in question states that in its eyes the allegations contained in the second and third paragraphs are alone of any importance, and in the opinion of the President [of Cuba] they are without foundation or reason, for the reasons herein given.

I avail [etc.]

MANUEL SANGUILY.

File No. 837.77/94.

The British Ambassador to the Secretary of State.

BRITISH EMBASSY,
Washington, January 20, 1913.

SIR: I am informed by His Majesty's Principal Secretary of State for Foreign Affairs that the Cuban Central Railway has presented to the President of Cuba a petition requesting that the concession recently given to the North Coast Railway Company may be cancelled and that it may be granted to the petitioners.

His Majesty's Minister in Habana has been instructed to strongly support this petition and I am requested to inform you that if after examination of the whole matter you consider that it is one in which the influence of the United States Government could be usefully exerted with a view to securing to the petitioners that which it is believed the justice of their case requires, it is the hope of His Majesty's Government that you may see fit to take action in that direction.

I have [etc.] JAMES BRYCE.

File No. 837.77/94.

The Secretary of State to the American Minister.

No. 193.] DEPARTMENT OF STATE,
Washington, February 8, 1913.

SIR: I enclose a copy of a note from the British Ambassador at this capital with which he forwards to the Department a copy of a petition addressed by the Cuban Central Railway to the President of Cuba requesting that the concession recently granted to the North Coast Railway Company should be canceled and that it might be granted to the petitioners.

Mr. Bryce states that His Britannic Majesty's Minister at Habana has been instructed to support strongly this petition, and he asks that this Government will exert its influence with the Cuban Government to secure to the petitioners the justice which they believe their case requires.

You will again bring the matter to the attention of the Cuban Foreign Office and point out that the positive and seemingly well-defined attitude assumed by Great Britain in this matter appears to require that the questions involved receive the most serious consideration by the Cuban Government.

I am [etc.]

P. C. KNOX.

File No. 837.77/94.

The Secretary of State to the British Ambassador.

No. 1749.] DEPARTMENT OF STATE,
Washington, February 8, 1913.

EXCELLENCY: I have the honor to acknowledge the receipt of your note of the 20th ultimo [etc.]

I have the honor to say in reply that the Department has forwarded a copy of your note and a copy of the petition to the American Minister at Habana, and has instructed him to bring the matter again to the attention of the Cuban Foreign Office and to point out that the positive and seemingly well-defined attitude assumed by Great Britain in this matter appears to require that the questions involved should receive the most serious consideration by the Cuban Government.

I have [etc.]

P. C. KNOX.

File No. 837.77/98.

The American Minister to the Secretary of State.

No. 626.] AMERICAN LEGATION,
Habana, February 17, 1913.

SIR: Referring to my despatch No. 579, of January 3rd,[1] and to other correspondence, in regard to the Caibarién-Nuevitas railroad concession, I have the honor to submit herewith a concise resumé

[1] Not printed.

of the entire question. The many reports made on this matter by the Legation from time to time have attained such bulk as to render their consideration a matter of much time and trouble. I venture, therefore, to submit the following statement of facts for the information of the Department, believing that it may be found helpful as offering in convenient form a thorough presentation of the essential points at issue.

An act of July 5, 1906, committed the Government of Cuba to the policy of subsidizing new railroad construction in Cuba. This act provided for a recurrent appropriation of $500,000 per annum for the purpose, and authorized the Executive to grant subventions in a maximum amount of $6,000 per kilometer for the construction of twelve lines enumerated in the act.

Between the ports of Caibarién and Nuevitas lies a vast region of virgin country, said to be incomparably rich in hardwood timber, ores and agricultural and grazing lands, which, except for the narrow valley north of the Bamburanao range, has never been settled or developed for lack of transportation.

The claims of the region in question were either overlooked or ignored by Congress in 1906, or were not adequately pressed by the interested communities. The need for the line was nevertheless felt and was remittently discussed, but nothing practical seems to have been accomplished until Mr. J. M. Tarafa and associates recognized the opportunity and procured the introduction of a bill in the House of Representatives, at the session which ended in February, 1911 (reintroduced April 28, 1911), for the construction, under the terms of the act of July 5, 1906, of a line from Caibarién via Morón to Nuevitas.

Just east of Caibarién begins a range of mountains comprising the Sierras de Bamburanao, Meneses and Jatibonico, and extending in an easterly direction up to Jatibonico river. Between this range and the sea on the north there is a fair and fertile valley averaging some ten or twelve miles in breadth, watered by numerous streams rising in the mountains. This valley, as far down as the Jatibonico river, has long been under cultivation; several sugar-mills are in active operation; and the transportation facilities, while perhaps susceptible of improvement, satisfactorily answer present needs; the coast is indented by numerous minor ports, reached by cartroads from within and by small coasting craft from without, and the valley is traversed from a point very near Caibarién, at the western end, to Mayajigua, at the eastern end, by several connecting narrow-guage roads largely owned and controlled by the North American Sugar Company. These roads, originally built by the several sugar mills in the valley for their private plantation service, were welded into a connected system and made a public service railroad, or common carrier, under terms of the railroad law of Cuba, which require that it shall within a given time be rebuilt on the standard guage; and construction into Caibarién is either contemplated or has actually been undertaken.

Here, then, we have, on one hand, a public railroad, largely if not entirely owned by American interests, built without State aid and which must, under the terms of its charter as a common carrier, be

practically rebuilt (for conversion of gauge) without State aid; and, on the other hand, a bill in Congress contemplating the construction of a subsidized railroad from Caibarién to Nuevitas which would, through about one-fourth of its length, parallel the former. The interests thus menaced promptly bestirred themselves, and brought sufficient public opinion to bear upon representatives from Santa Clara to induce Tarafa to abandon, perhaps reluctantly, the idea of traversing the valley in question, and to make a détour to the south of the range, although the country was not only undeveloped but the cost of construction would, on account of topographical conditions, be considerably greater. Accordingly an amendment was introduced providing specifically that the Caibarién-Nuevitas railroad should be built via Morón and south of the Cordillera (range) de Bamburanao, thus relieving the existing railroad north of the range of the threatened unfair competition. The wisdom of this amendment is at once obvious: the region south of the range is not only greater in extent and breadth, but, unlike that to the north, is unsettled and undeveloped; and it would be a waste of public money and unfair to existing interests for the Cuban Government to subsidize, under the circumstances, a railroad along the northern route.

In the meantime, the Cuban Central Railways had filed with the Railroad Commission, on May 10, 1911, a petition for permission to make preliminary surveys for a railroad from Caibarién to Nuevitas via Morón. Permission was duly granted, and the Cuban Central Railways made their surveys, and filed on January 31 and February 4, 1912, "definite plans, profiles, etc.," of the proposed line, which were in due course approved by the Railroad Commission. The project of the Cuban Central contemplated a route throughout the valley north of the range, necessarily paralleling the railroad of the North American Sugar Company and associated interests.

When the amendment was presented prescribing the southern route, the Cuban Central, which apparently had not theretofore taken any active part in the progress of the bill, took a hand in the matter, and by all manner of means at their disposal set out to force Congress to adopt the route (north of the range) which they had selected. At this time representations were made to the Department that were untenable and without foundation in fact. It is not necessary to examine these representations at this time, for the matter has reached a more advanced stage where new grounds and contentions have arisen. However, as illustrative of the tenor of the representations made to the Department in the first stage of the controversy, the Cuban Central contended, in effect, that—inasmuch as, after a bill had been introduced and was being discussed in Congress for the construction of a certain railroad with State aid, they had, in anticipation of the needs of the community and of the country at large, surveyed a certain route which was duly approved by the Railroad Commission—the Congress was precluded from prescribing any route other than the precise route called for in their plans, and consequently that the subvention could be granted to no one other than themselves! The record is clear that they sought to have the Department believe that the approval of their plans by the Railroad Commission conferred upon them *an exclusive concession by competent authority* to build a railroad between Caibarién

and Nuevitas; while they knew perfectly well, from their intimate knowledge of the railroad law and long experience, that the Railroad Commission could at any time approve any number of such projects, and that such approval in no case constituted a "concession" in the accepted sense. They alleged the infringement of "vested rights" which did not exist and which they knew very well could not under the circumstances exist. They alleged also that they had commenced the construction of the line, which was shown to be without foundation. And all this, not because the Congress contemplated or proposed even by inference to grant the subvention to a particular company or to favor any particular interest, but merely because that body was considering whether in the public interest the railroad it was about to subsidize should run to the south or to the north of a certain mountain range!

The contentions of the Cuban Central did not prevail. The Congress passed, and the President approved on June 5, 1912, an act reading in pertinent part as follows:

Article 1. The following paragraph is hereby added to article 1 of the act of July 5, 1906, published in the *Gaceta Oficial* of the Republic on that date:

"(13) A line connecting the ports of Caibarién and Nuevitas, passing through the town of Morón and to the south of the Bamburanao range."

Article 2. The Executive shall invite proposals of companies desiring to build the railroad, and shall award it by subasta [1] to that company which makes the best propositions; but the subvention shall not exceed the amount prescribed [2] in the act of July 5, 1906.

On July 12, 1912, five weeks after the enactment of this law, an Executive decree issued, and was published in the *Gaceta Oficial* of the 15th, inviting proposals, to be filed not later than July 30th, for the construction of the railroad in question. The Cuban Central Railways objected that the time allowed prospective bidders to prepare and file their proposals was unreasonably short, and furthermore that no formality was prescribed to govern the opening of proposals, thus possibly affording an unfair advantage to any bidder which might enjoy illicit official favor. Accordingly a second decree issued (dated July 24, 1912, and published in the *Gaceta* of the 27th), calling for sealed proposals to be filed in the Department of Public Works up to 2 p. m., September 30, 1912; and providing that all proposals should be opened at that hour in the office of the Secretary of Public Works and in the presence of bidders. In the preamble to this decree it is expressly announced that no specifications beyond the general requirements of the Railroad Law and the Act of July 5, 1906, and the special requirements of the Act of June 5, *supra* (as to route, amount of bond, etc.), could in the nature of the case be formulated for the guidance of prospective bidders, and consequently of the granting authority in choosing between proposals, but that such prospective bidder should within these general confines make his own terms and conditions.

The subasta took place at the appointed time. But two proposals were filed, namely, by the Ferrocarril de la Costa Norte de Cuba

[1] In its true sense *subasta* is the equivalent of the Latin *sub-hasia*, or the English *auction*; but it has acquired a special meaning in Spanish administrative law, namely: a competition through the formal presentation of proposals for a public service, concession or grant. (The Minister's footnote.)

[2] $6,000 per kilometer. (The Minister's footnote.)

and the Cuban Central Railways. The former company offered to build the railroad with a subvention of six thousand dollars per kilometer (the maximum amount authorized), while the latter asked for but five thousand dollars. The money difference between the two proposals, considering only the amount of the subvention, is roughly $300,000 (not, as claimed by the Cuban Central, $592,000).[1] The proposal of the Compañía de la Costa Norte included, however, an elaborate plan of direct and related development, which the President believed to offset, in immediate and eventual value and advantage to the region and to the country at large, the apparent saving of $300,000 in the amount of the subvention. Examination and analysis of what may be called the collateral propositions of the Compañía de la Costa Norte convincingly bear out this belief; but they need not be examined in detail here, for the Cuban Central have apparently never attempted to destroy this argument except by the contention that as those propositions did not directly concern the announced object of the subasta, they could not, whatever merit they might otherwise have, legally be taken into consideration by the President.

This contention is the essence of the Cuban Central's protest; the other numerous contentions, mostly of a minor, and in some instances of a trivial, character, all hinge upon it and serve only to becloud the real issue.

The answer to this question of competence must be sought in the terms of the acts of July 5, 1906, and June 5, 1912. The former is a general act governing railroad subventions; and the latter (the text of which is in pertinent part quoted above) is a special act authorizing the construction with State aid of the Caibarién-Nuevitas railroad under the general terms of the former act and certain additional and particular terms of the latter.

The act of 1906 authorizes the Executive to "enter into contracts with one or more companies . . . without the necessity of subasta, for the construction and operation, in the order named," of twelve railroads enumerated (article 1). This was amended by the later act of 1912 in so far as it required (article 2) the holding of a subasta.

The act of 1906 further provides (article 6) that when "two or more indivduals or companies offer to build and operate any of the railroads enumerated above, the Executive shall give the preference to that individual or company *whose plans and other technical and economic conditions are, in his judgment, the most advantageous to the general interests of the Republic.*" In the absence of any more specific provision in the act of 1912, or in any other law, governing the conduct of the subasta and method of award, or placing re-

[1] The Cuban Central made alternative propositions, one of which was to utilize their existing line from Caibarién to Salamanca, 36 km. to the west, and thence to build into Zulueta, 20 km. to the east, without subvention; thus traversing 56 km. in a roundabout direction in order to reach a point due south of Caibarién, distant 20 km. or less. This "free line" of 56 km. is reckoned a saving to the State at $6,000 per km., whereas it could not possibly, however regarded, represent a saving except as to the actual distance between Caibarién and Zulueta. The other proposition (and obviously the more acceptable were the concession to be awarded to the Cuban Central) was to build from Caibarién to Zulueta directly and thence to Nuevitas, applying the subvention to the whole distance. The real effect of the former proposition would be to make the contemplated railroad merely an extension of the Cuban Central's existing lines out of Sagua and consequently to make the line into Caibarién merely a branch with Zulueta as a junction, thus defeating, in spirit at least, the purpose of the act of Congress. (The Minister's footnote.)

strictions upon what may be considered "economic conditions . . . advantageous to the general interests of the Republic", the best judgment of the Executive must necessarily prevail without limitation (Art. 78, paragraph 1, Constitution of Cuba). If he chooses so to regard collateral railroad development in Camaguey, the building of sugar mills, and establishment of a bank for aiding colonizers, and other considerations, he would seem to be acting well within his powers. Had the Congress desired to limit his choice to the proposal contemplating the lowest subvention, it would have done so in terms; as it is, the intent cannot even be inferred.

Moreover the proposal of the Cuban Central is vitiated by the failure upon their part fully to observe the route prescribed by Congress in the act of June 5, 1912. The prescribed route is "south of the Cordillera de Bamburanao," clearly meaning the "cordillera" (range) of mountains comprising the Sierras de Bamburanao, Meneses and Jatibonico. The modified route adopted by the Cuban Central after the passage of the act differed from the original (northern) route only in that the single Sierra de Bamburanao is detoured to the south, and the original route is entered through the break between the sierras de Bamburanao and Meneses, and is thence followed down to Morón. The route of the rival company is to the south of the mountains all the way, and is the route clearly contemplated in the act. The Cuban Central claim that "Cordillera de Bamburanao" as used by the Congress is a misnomer, because no such "cordillera" is shown on any map or other authoritative record of the region, each sierra being given a different name. The custom in Cuba and elsewhere is to refer to a range of mountains collectively, when they have no collective name and each group has its own name, by the name of the first component sierra or group; hence the range of mountains between Caibarién and the Jatibonico river is commonly called "Cordillera de Bamburanao," although each sierra is shown on maps with a different name, viz: Sierra de Bamburanao, Sierra de Meneses and Sierra de Jatibonico. The act was drafted by congressmen from the region acquainted with topographical names, and they undoubtedly used the word "cordillera" advisedly and with the full intent of reference to the range of three sierras named above. This is very clear from the controversy that arose in Congress concerning the selection of a route for the proposed railroad. The Cuban Central deliberately sought to defeat this clear intent of Congress that this line should be built entirely to the south of the mountains. Their line consequently parallels the line of the North American Sugar Company and associated interests through the greater part of the length of the latter. In this connection I invite the Department's attention to my No. 118, of March 13, 1912,[1] transmitting a copy of a letter from the President of the North American Sugar Company. It was the representations of this American company that first induced me to make an examination of this phase of the project.

I have [etc.]

A. M. Beaupré.

File No. 837.77/95.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 18, 1913.

A request has been received from Martin W. Littleton that action on the Department's instruction to you No. 193 of February 8 be delayed until a hearing on the contentions of the North Coast Railway Company can be had by the Department. You will therefore suspend action until further instructed.

KNOX.

File No. 837.77/99.

The American Minister to the Secretary of State.

No. 627.] AMERICAN LEGATION,
Habana, February 20, 1913.

SIR: Referring to the Department's instruction No. 193 of the 8th instant, concerning the Caibarién-Nuevitas railroad concession, and the Department's telegram of February 18 on the same subject, I have the honor to report that the petition of the Cuban Central Railways, dated December 28, 1912 (of which a copy[1] was enclosed with the above-mentioned instruction), was duly considered and formally denied by President Gómez; that the British Minister in a recent note to the Cuban Foreign Office requested reconsideration of this decision, the annulment of the concession, and its grant to the Cuban Central Railways; and that this note, too, has been answered.

The British Minister's note concluded with the ominous observation that in his opinion "the Cuban Government could hardly expect the British Goverment to be content with leaving the matter as it now stands, or to consent to a denial of that justice and fair treatment to which the Cuban Central Railways are entitled." In its reply, the Cuban Foreign Office, after regretting the "unseemly tone and forceful language" of Mr. Leech's note, states in effect that the protest of the Cuban Central Railways has already received full and careful consideration at the hands of the Cuban Government, whose decision is predicated upon "a strict observance of the law and the most upright principles of justice"; that the matter is now in the courts upon suit of the Cuban Central Railways; and consequently that the Administration could not under any circumstances take further action in the premises. As evidence that this matter has been considered by President Gómez personally I may add, upon unquestionable authority, that the note of the Foreign Office is based upon a draft in his own handwriting.

Under the circumstances, the Department's instruction would be of no avail for the purposes intended.

I have [etc.] A. M. BEAUPRÉ.

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[1] Not printed.

File No. 837.77/94.

The Secretary of State to the British Ambassador.

DEPARTMENT OF STATE,
Washington, February 25, 1913.

EXCELLENCY: Referring to my note to you of the 8th instant in which I informed you [etc.] I have now the honor to inform you that before this instruction could be carried out a request was received by the Department on behalf of the Compañía Ferrocarril de la Costa Norte de Cuba that further action in this matter be postponed until the contentions of that company in opposition to the petition of the Cuban Central Railway had been heard.

This request was complied with and an opportunity has now been given to the representatives of the Compañía Ferrocarril de la Costa Norte de Cuba to present its contentions in regard to the questions under consideration and upon a careful reexamination of the subject it has become evident that the controversy between these two rival companies is not of a character which requires this Government to give a preference to either one as against the other. The instructions to the American Minister in Cuba, therefore, with reference to the presentation, in compliance with your request, of the copy of the petition above mentioned to the Cuban Government will conform to this view.

I have [etc.]

P. C. KNOX.

File No. 837.77/95.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 26, 1913.

Department's February 18. The contentions of the North Coast Railway Company have been heard by the Department. Upon a careful reexamination of the questions involved it has become evident that this company's controversy with the Cuban Central Railway is not of a character that requires this Government to give preference to either company as against the other, and the Department has today so informed the British Ambassador, who was also informed that the Department's instruction to you, in regard to presentation to the Cuban Government of the petition mentioned in Department's instruction of February 8, will conform to this view.

Therefore you will disregard said instruction of February 8. You will, however, bring the matter therein mentioned to the attention of the Foreign Office, pointing out that in the view of the Department the controversy between the rival companies is not of a character requiring this Government to take the side of either party as against the other.

KNOX.

File No. 837.77/101.

The British Ambassador to the Secretary of State.

No. 49.] BRITISH EMBASSY,
Washington, February 27, 1913.

SIR: I have the honour to acknowledge the receipt of your note of the 25th instant in which you inform me that owing to representations made to you by the Cuban North Coast Company, the United States Minister in Havana has been instructed to suspend action on the instructions previously sent to him.

These instructions were, as you informed me in your note of the 8th of February, to the effect that Mr. Beaupré should bring the matter again to the attention of the Cuban Foreign Office, and should point out that the positive and seemingly well-defined attitude assumed by Great Britain in this matter appeared to require that the questions involved should receive the most serious consideration by the Cuban Government.

Action on such instructions, the purport and effect of which were, as was understood from your note of February 8th, to convey to the Cuban Government the need for careful investigation of a grave question before final action was taken, would not seem to be prejudicial to the position of any parties having a legitimate and honest claim to have its interests considered and justly treated by the Cuban Government and it is with regret that I have to report to my Government the alteration which it has been thought fit to make in your instructions to the United States representative in Havana. I understand that His Majesty's Government has addressed a communication to the American Embassy in London upon the subject, and I cannot but express the hope that you will think fit upon further consideration to allow the instructions to be presented so as to intimate the advice of your Government that no action tending to create vested interests should be now taken, but that the matter should be reserved without prejudice until the coming in of a new President in Cuba who may be expected to deal with it in an impartial spirit.

I have [etc.]

JAMES BRYCE.

File No. 837.77/101.

The Secretary of State to the British Ambassador.

DEPARTMENT OF STATE,
Washington, March 3, 1913.

EXCELLENCY: I have the honor to acknowledge the receipt of your note of February 27th last, referring to the matter of the petition addressed by the Cuban Central Railway to the President of Cuba requesting that the concession recently granted to the North Coast Railway Company should be canceled and that it might be granted to the petitioners.

The Department has today instructed the American Minister at Habana to take up the subject with the British Legation at that capi-

tal with a view to reaching some common understanding upon the facts of the case, about which there seems to be considerable difference of opinion.

I have [etc.]

P. C. KNOX.

File No. 837.77/101.

The Secretary of State to the American Minister.

DEPARTMENT OF STATE,
Washington, March 3, 1913.

SIR: Referring to the Department's No. 193 of February 8 last and subsequent correspondence in regard to the petition addressed by the Cuban Central Railway to the President of Cuba requesting that the concession recently granted to the North Coast Railway Company should be canceled and that it might be granted to the petitioners, I enclose a copy of a note from the British Ambassador at this capital who expresses the hope that this Department will think fit, upon further consideration, to allow the instruction to you, above referred to, to be communicated to the Cuban Government.

The Department desires you to take up the subject with the British Legation in Habana with a view to reaching some common understanding upon the facts of the case about which there seems to be considerable difference of opinion.

I am [etc.]

P. C. KNOX.

File No. 837.77/104.

The American Minister to the Secretary of State.

[Extract.]

No. 653.] AMERICAN LEGATION,
Habana, March 15, 1913.

SIR: I have the honor to report that in pursuance of the Department's unnumbered instruction of the 3rd instant, I conferred with my British colleague, Mr. Stephen Leech, in regard to the Caibarién-Nuevitas railroad matter.

Our discussion seemed to indicate that there was no substantial difference between us as to the facts and Mr. Leech admitted that the facts relating to the points now in controversy were correctly stated in my report to the Department, although we differed radically in our deductions; and he gave it as his opinion that the question now was purely one of construction, which should be referred to and decided by legal authorities. So it seems that we have "a common understanding of the facts in the case," and the "considerable difference of opinion" is not as to the facts. We do not and cannot agree as to the decision to be reached from a consideration of these facts, notwithstanding which I am still firmly convinced that my views heretofore expressed to the Department are correct. * * *

I did not attempt to argue these contentions with Mr. Leech, for they have nothing to do with the essential facts, and Mr. Leech frankly said it would be futile.

With reference to the concluding portion of Mr. Bryce's note to the Department, dated February 27th, in which it is suggested that the United States Government might intimate to the Cuban Government that no action should now be taken "tending to create vested interests," in order that the matter might be "reserved without prejudice" for the consideration of the new Cuban Administration, I have the honor to submit that as a matter of fact the question is now before the courts, and in the circumstances no action on the part of the Cuban Government is conceivable tending to create any vested interests not already derived from the actual award of the concession to the North Coast Company.

Mr. Leech's knowledge of the questions involved is far from thorough, and he finally stated that it would be necessary for him to request the attorneys of the Cuban Central to prepare a memorandum for him covering the points at issue. He proposes to send a copy of this memorandum to the British Ambassador in Washington. He has promised to bring me this statement as soon as possible; and I shall then have the honor of reporting further to the Department.

I have [etc.]

A. M. BEAUPRÉ.

File No. 837.77/105.

The American Minister to the Secretary of State.

[Extract.]

No. 662.] AMERICAN LEGATION,
Habana, March 22, 1913.

SIR: Referring to the last paragraph of my despatch No. 653 of the 15th instant, in regard to the Caibarién-Nuevitas railroad concession, I have the honor to report that my British colleague has allowed me to read the memorandum prepared for him by the lawyer of the Cuban Central Railways and which he told me he should send to his Government and to the British Ambassador in Washington to be submitted by the latter to the Department. * * *

Despite Mr. Leech's previous admission to me, as reported in my despatch No. 653, that there was no longer any substantial difference between us as to the essential facts, this memorandum states that there "seems to be a wide divergence of opinion as to the facts" between us. I could not, however, discover in the memorandum any reference to a specific instance wherein we differ in any essential point of fact. * * *

Mr. Leech's memorandum also brings up again the question of what Congress intended by the term "Cordillera de Bamburanao," in connection with which, it is alleged, the Cuban Central attempted by an ill-taken technicality to evade the obvious intent of the act. This point is fully discussed in my despatch No. 626, of February 17, 1913, and requires no further comment.

Although the Legation has heretofore relied entirely upon itself to investigate and prepare its reports upon this matter, I have, since Mr. Leech announced that he would have a memorandum prepared by the lawyer of the Cuban Central to refute my previous arguments, thought it expedient to have Mr. Tarafa's lawyer prepare a memo-

randum for this Legation refuting specifically the British contentions. I have, therefore, the honor to enclose two memoranda [1]—one referring to the specific contentions of Mr. Leech as stated in my despatch No. 653 (page 3), and the other to exceptions taken by the Cuban Central Railways predicated upon the alleged infringement by the President of article 103 and other articles of the Reglamento de las Secretarias del Despacho.—and venture to recommend their careful perusal and consideration by the Department.

I have [etc.]

A. M. BEAUPRÉ.

File No. 837.77/106.

The British Ambassador to the Secretary of State.

BRITISH EMBASSY,
Washington, March 31, 1913.

SIR: His Majesty's Minister in Havana informs me that the United States Minister has shewn to him a recent report which he sent to the State Department on the subject of the Caibarién-Nuevitas Railway, which in the opinion of Mr. Leech did not quite accurately set forth the circumstances of the case as understood by him.

Mr. Leech has therefore prepared a report which he has shewn to Mr. Beaupré and a copy of which he has forwarded to me dealing fully with the case.

I have the honour to forward to you a copy [1] of this report, which, as you will see, gives a somewhat different account of the situation from that which might have been gathered from Mr. Beaupré's despatch.

I have [etc.]

JAMES BRYCE.

File No. 837.77/106.

The Secretary of State to the American Minister.

No. 223.] DEPARTMENT OF STATE,
Washington, May 8, 1913.

SIR: Referring to your despatch No. 622,[2] dated March 22, 1913, and to other correspondence regarding the Nuevitas-Caibarién Railway subvention, you are informed that under date of March 31, 1913, Mr. Bryce, at that time British Ambassador, transmitted to the Department a report on this matter, prepared by Mr. Leech.

It appears, from your despatch under acknowledgment and from the note of the British Ambassador above mentioned and its enclosure, that the contentions urged by the British Government involved questions of a legal nature pertaining to the validity of the proceedings heretofore taken in the matter, which the Government of the United States does not feel called upon to discuss with the Cuban Government at the present time, inasmuch as this Government

[1] Not printed.

[2] Should be 662.

relies upon the Cuban Government to give these questions such careful and deliberate consideration as will insure their determination with due regard to law and justice.

I am [etc.]

For the Secretary of State:
JOHN B. MOORE.

File No. 837.77/106.

The Secretary of State to the British Ambassador.

No. 24.] DEPARTMENT OF STATE,
Washington, May 24, 1913.

EXCELLENCY: I have the honor to acknowledge the receipt of Ambassador Bryce's note of March 31, 1913, in which he states [etc.].

In reply I have the honor to say that on the 8th instant the Department sent an instruction to Minister Beaupré, in which, after acknowledging the receipt of a despatch from him on the subject, dated March 22, 1913, and informing him of the receipt of Mr. Bryce's note, it said:

"It appears, from your despatch under acknowledgment and from the note of the British Ambassador above mentioned and its enclosure, that the contentions urged by the British Government involved questions of a legal nature pertaining to the validity of the proceedings heretofore taken in this matter, which the Government of the United States does not feel called upon to discuss with the Cuban Government at the present time, inasmuch as this Government relies upon the Cuban Government to give these questions such careful and deliberate consideration as will insure their determination with due regard to law and justice."

I have [etc.]

For the Secretary of State:
JOHN B. MOORE.

SCURRILOUS AND LIBELOUS NEWSPAPER ATTACKS ON THE AMERICAN MINISTER AND THE SECRETARY OF LEGATION AT HABANA; IMMUNITY OF CONGRESSMEN FROM PROSECUTION FOR CRIME; ATTITUDE OF THE UNITED STATES.

File No. 837.911/12.

The American Minister to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN LEGATION,
Habana, February 6, 1913—1 p. m.

In an article covering the full front page of yesterday's issue, the newspaper "Cuba" made a specific accusation that Gibson and I, through the levying of blackmail and graft, have enriched ourselves in various local enterprises. The article is unspeakably scurrilous, of an inflammatory character and calculated to incite to further violence against the members of this Legation. Failure to proceed against this

newspaper for past offenses has encouraged it to increase the violence of its attacks. The Cuban Government has repeatedly expressed readiness to prosecute libelous publications upon the request of the Legation, and I strongly recommend that I be authorized to request the Cuban Government to take action in this case for criminal libel.

BEAUPRÉ.

File No. 837.911/13.

AMERICAN LEGATION,
Habana, February 6, 1913—2 p. m.

This afternoon's edition of "Cuba" contains another front-page article giving what purports to be a statement of the exact manner in which the National Bank of Cuba keeps the funds I have secured through corruption. It also announces that Gibson and I are to be investigated by order of the Department.

BEAUPRÉ.

File No. 837.911/16.

The American Minister to the Secretary of State.

No. 619.] AMERICAN LEGATION,
Habana, February 6, 1913.

SIR: Referring to my telegrams of February 6 (1 p. m. and 2 p. m.) in regard to abusive articles concerning the Legation published in the newspaper "Cuba," I have the honor to transmit herewith enclosed copies and translations of the two articles in question.[1] Judging from the tenor of the articles already published, it is to be presumed that they will be followed by others of a similar nature.

The Department is in possession of the facts concerning past offenses of this newspaper in its attacks upon Mr. Gibson last August and upon the President at a later date. I therefore deem it superfluous to enter into a discussion of the matter, but venture to confirm my earnest recommendation already made that I be authorized to present a formal request to the Cuban Government that action be taken against this newspaper for criminal libel.

I have [etc.]

A. M. BEAUPRÉ.

File No. 837.911/15.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Habana, February 7—4 p. m.

This afternoon's edition of "Cuba" devotes its entire front page to abusive articles and alleged Washington despatches concerning its attack on this Legation. The editor, Oscar Soto, declares his intention to introduce this afternoon in the House of Representatives a resolution calling upon the President for copies of all notes from this Legation to the Cuban Government since the foundation of the

[1] Not printed.

Republic; copies of all warnings and admonitions addressed by me to the Government, and statement of the reasons therefor; and a detailed statement of Mr. Gibson's acts and conduct in relation to collection of the Reilly claim. Commenting on newspaper statements to the effect that the Cuban Government might be asked to deport its editors, "Cuba" declares that its one responsible manager cannot be deported as he is a Cuban citizen, and strongly intimates that he cannot be prosecuted because of his Congressional immunity.

BEAUPRÉ.

File No. 837.911/14.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 7, 1913.

Request at once of the Cuban Government immediate, active and adequate prosecution of the persons guilty of the scurrilous and libelous statements made against the personnel of the Legation.

KNOX.

File No. 837.911/17.

The American Minister to the Secretary of State.

[Extract.]

No. 621.] AMERICAN LEGATION,
Habana, February 10, 1913.

SIR: Referring to my despatch No. 619 of the 6th instant and to other correspondence in regard to the libelous campaign being conducted by the newspaper "Cuba" against this Legation, I have the honor to report more recent developments in the situation as follows:

A few minutes after the receipt of the Department's telegram of February 7, Dr. Patterson, Sub-Secretary of State, called at the Legation and I took occassion to impress upon him with great earnestness the gravity of the present situation and the imperative necessity for the Cuban Government to proceed with energy and effectiveness in the prosecution of those responsible for the libelous and slanderous statements concerning the personnel of this Legation. Dr. Patterson expressed great indignation at the character of the articles which have been published in "Cuba," and stated that both the President and Secretary of State had been shocked upon reading these articles and were prepared to do anything within their power to see that proper reparation was made. Dr. Patterson added, however, that there would appear to be some doubt as to how effective prosecution would be in view of the fact that the newspaper was protected by the parliamentary immunity of a congressman who was paid a salary, not for any work done on the paper, but simply for the protection gained by printing his name at the head of the editorial column. In response to this I pointed out very bluntly that there was no need to allow any such defiance of the laws to interfere with the proper course of justice; that congressional immunity was very clearly intended to cover nothing more than the official acts of a congressman and not to protect

libelous and blackmailing newspapers from the consequences of their crimes.

I asked Dr. Patterson to say to the President for me that the leaders of the Conservative party had volunteered to instruct their congressmen to vote to allow the prosecution of this congressman, and that I was convinced, if he showed equally good feeling, he could, by the use of entirely legitimate and proper influence upon Liberal congressmen, insure a majority which would enable the Department of Justice to bring the guilty parties before the courts.

I immediately prepared a note (copy enclosed) which was delivered to Mr. Sanguily personally at 7 o'clock, making formal request for the prosecution of the responsible individuals in compliance with the Department's telegraphic instruction.

* * * In conclusion I venture to express the belief that all elements of Cuban official life now realize the seriousness of the question and that both parties will cooperate to make the prosecution effective.

I have [etc.]

A. M. BEAUPRÉ.

[Inclosure.]

The American Minister to the Cuban Secretary of State.

No. 479.] AMERICAN LEGATION,
Habana, February 7, 1913.

YOUR EXCELLENCY: I have the honor to transmit herewith enclosed copies of the afternoon edition of the newspaper "Cuba" of the 5th and 6th instant. Your excellency will observe that these papers contain outrageous and abusive attacks upon me and upon Mr. Gibson, the First Secretary of this Legation.

I am just in receipt of specific telegraphic instructions from my Government directing me to immediately bring this matter to the attention of your excellency's Government with the request that it undertake without delay the adequate and active prosecution of the persons responsible for the scurrilous and libelous statements contained in these articles.

I cannot too strongly impress upon your excellency the importance which my Government attaches to prompt and effective action by the Cuban Government in response to this formal request.

I avail [etc.]

A. M. BEAUPRÉ.

File No. 837.911/18.

The American Minister to the Secretary of State.

[Telegrams— Paraphrases.]

AMERICAN LEGATION,
Habana, February 18, 1913.

The Cuban Government has assured me that proceedings against the newspaper "Cuba" are being energetically pressed, but the Government evades making direct statements. Yesterday I insistently requested a definite statement of the steps that have been taken, and I am just now in receipt of a note transmitting a report from the Prosecuting Attorney showing that nothing has been done except to take the declarations of certain members of the staff of "Cuba" as to what they know regarding the authorship of the libelous articles. Soto was requested to appear and depose, but did

not do so, alleging illness, although he has been attending to business and traveling about the island. No action can be taken against him until appeal to Congress has been made and granted. Eleven days have now elapsed without any such action and Congress may adjourn at any time. I respectfully recommend that the Department impress upon the Cuban Minister in unmistakable terms its real interest in prompt and effective action, and that it formulate, for presentation by this Legation to the Cuban Government, an expression of its views.

BEAUPRÉ.

File No. 837.911/19.

AMERICAN LEGATION,
Habana, February 20, 1913.

Delay in prosecution is rapidly convincing newspapers that our attitude was mere bluff and that nothing will be done. Several papers publish sneering articles which, although they avoid personalities, are most insulting to the good faith of our Government from which, the newspapers intimate, they have nothing to fear.

BEAUPRÉ.

File No. 837.911/18.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington February 20, 1913.

The following aide mémoire has been handed to the Cuban Minister, who has also had the views of the Department brought to his attention:

The Department of State to the Cuban Legation.

AIDE MÉMOIRE.

From reports received from the American Minister at Habana the Government of the United States notes with surprise that the Government of Cuba seems to be displaying apathy in the prosecution of those persons responsible for the recent scurrilous newspaper attacks on the personnel of the Legation.

It is with regret that the Government of the United States finds itself obliged to direct the attention of the Government of Cuba to this matter and to insist that the persons guilty of those attacks be adequately and speedily dealt with.

DEPARTMENT OF STATE,
Washington, February 20, 1913.

KNOX.

File No. 837.911/20.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Habana, March 14, 1913.

Since the date of the Department's telegram of February 7 I have repeatedly urged definite action, in conferences with the President, Secretary of State, leaders of both parties and other officials. They

have promised to do whatever they can but there is manifest a pronounced disinclination to prosecute Soto. Three weeks ago, after long delay, request was made to Congress to permit prosecution, but the matter is being delayed on ridiculous pretexts. The committee to which the request was referred finally appointed one of its members to prepare a report. After several days delay he announced, yesterday, that he would have to be excused as he was not a lawyer and was therefore unfitted for the work; and that, being a Liberal, any report unfavorable to Soto, a Conservative, would be construed as party hostility. It is announced that the committee will "probably" meet again in the course of a few days to consider the question and appoint someone else to prepare a report. Congress will probably adjourn in the course of ten days, and the matter is evidently being delayed in the hope that if in the meantime no action is taken prosecution can be indefinitely deferred. A campaign by Soto and his friends is being made in Congress and the press to create belief that it is unnecessary to permit prosecution as the new administration at Washington will drop the matter in pursuance of an absolute hands-off policy which is being industriously attributed to it. I have exhausted the means at my disposal in the hope of securing action without calling on the Department, but am now convinced that no action can be hoped for unless the Department makes known to the Cuban Government in unmistakable terms its expectation that effective means will be found for dealing immediately with the libelers of the Legation. If respect for the United States and its representatives here is to be maintained, it is essential that the wholesale libels to which they have been subjected for months past be brought to an end by vigorous insistence upon effective prosecution. Failure earnestly to press the case would give encouragement to the worst elements here in their efforts to create anti-American feeling, and would leave the Legation in a deplorable situation.

BEAUPRÉ.

File No. 837.911/22.

The American Minister to the Secretary of State.

No. 656.] AMERICAN LEGATION,
Habana, March 18, 1913.

SIR: Referring to previous correspondence in regard to the libelous attacks upon the personnel of this Legation by the newspaper "Cuba," I have the honor to transmit herewith enclosed, for the information of the Department, copy of a letter [1] today received from Mr. Alexander W. Kent, an American attorney practicing in this city.

In this letter Mr. Kent expresses serious doubts as to the possibility of punishing those responsible for the libels in question; he withdrew to a large extent from the position taken in his letter to the Department of September 7, 1912,[1] written in regard to the newpaper attacks on Mr. Gibson at the time of the Maza assault [2], wherein he was optimistic as to the facility with which the guilty parties might be brought to justice.

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[1] Not printed.

[2] For. Rel. 1912, p. 268.

In the last paragraph of his letter Mr. Kent states that the courts are free to arrest and indict Soto as soon as Congress adjourns, but expresses the belief that no Cuban judge would hazard such a step. The right of the courts to take such action is based on a provision of Article LIII of the Cuban Constitution which reads as follows:

Senators and representatives shall be inviolable as regards their expression of opinion or their votes given in the exercise of their duties. Senators or representatives may be arrested or indicted only by authorization of the body to which they belong, if Congress should be in session, except in the event of being caught in the act of committing some crime. In this case and in that of being arrested or indicted when Congress is not in session, report shall be made to the body to which they belong for such decision as it shall make.

In the event that Congress adjourns without taking action in this matter, as now seems highly probable, I venture to submit that we might with entire propriety insist that Soto be arrested and indicted during the recess in accordance with the clear provisions of the Constitution.

The strong anti-American elements in Cuba are now momentarily refraining from open personal attacks upon members of this Legation while awaiting with interest an indication as to whether the Department is inclined further to press this case. By vigorous action we can probably end once for all the vicious practice of using Congressional immunity as a cloak for common crimes, and thereby not only serve our own immediate purpose but also render an important and much needed service to individuals and business interests in Cuba which have, by the ridiculous scope accorded to Congressional immunity, been subjected to every form of extortion, blackmail and libel. On the other hand, any failure earnestly to press the matter at this time will mean a relapse into conditions worse than those from which we have hitherto suffered; for those elements now held in check by a wholesome fear of being brought to justice will construe any wavering in our announced purpose to prosecute as a license to indulge in unlimited abuse of American representatives here, secure in the belief that they can do so with impunity.

While by no means as positive as a few weeks ago, there is still a general hope and belief among those most interested that the new administration in Washington plans to let the lawless elements here run riot unrestricted, and the slightest encouraging sign would be taken as confirmation of this belief.

From my own careful observation (as stated in my telegram of March 14) I am convinced that it is the intention of those in authority to evade, by every possible means, the responsibility of bringing the Soto question to a direct issue. The reason for this determination may perhaps be found in the fact that there are now pending before Congress thirty-five or more requests to prosecute members of Congress for crimes committed in Habana Province alone. In spite of repeated assurances from the Speaker of the House of Representatives and from other high officials of the Cuban Government, I fully expect that the matter will purposely be delayed so that it may not reach a vote before the end of this session of Congress, which may be looked for not later than the 27th instant.

I have [etc.]

A. M. Beaupré.

File No. 123.B38/97.

The American Minister to the Secretary of State.

[Telegram—Extract—Paraphrase.]

AMERICAN LEGATION,
Habana, June 16, 1913.

The Cuban Government, desirous that I "should leave Cuba with only pleasant memories," prevailed upon Congressman Soto to make public retraction of his charges in a speech before the House. As this speech was not adequate or satisfactory, the Secretary of State induced the newspaper "Cuba" to make more definite retraction and apology. This was done by the "Cuba" of its own motion, and is very gratifying in that it shows a desire to do such justice as the Cuban Government is in a position to secure unaided. It does not of course dispose of the question of congressional immunity. However, in view of the short time remaining before my departure, I trust that I may not be instructed to press the matter further. Personally I am disposed to accept the action of the Cuban Government in the way it is intended, and drop the matter. The Department should understand, however, that the principle involved is far more serious and important than the incidental phase which has affected me. The real question is whether congressmen can abuse their constitutional immunity as a cloak for vulgar crimes, libel, blackmail and character assassination. Past and present abuse of this immunity constitute a real and constant menace to honorable men, to reputable business and to other diplomats who are not so well able to defend themselves as we are. The Cuban Government and the best business elements, both American and Cuban, have looked confidently to the Government of the United States to put forth its best legal and diplomatic talent to secure protection of decent men against the outrages of the press. I trust that the Department, for the good of Cuba, will exert its best efforts to put an end to the present shameful conditions.

BEAUPRÉ.

File No. 123.B38/97.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE.
Washington, June 19, 1913.

In view of your statements in your telegram of June 16 you are instructed not to press the matter further at present. The Department is giving it careful consideration and on your arrival in Washington will be glad to discuss it with you.

BRYAN.

File No. 837.911/24.

The American Minister to the Secretary of State.

[Extract.]

No. 719.] AMERICAN LEGATION,
Habana, June 27, 1913.

SIR: Referring to previous correspondence in regard to the libelous attacks upon Mr. Gibson and myself by the newspaper "Cuba," and

particularly to my telegram of June 16, I have the honor to transmit herewith enclosed copy and translation of an editorial from "Cuba" of the 13th instant, wherein the paper makes retraction of its charges.

I have [etc.]

A. M. BEAUPRÉ.

[Inclosure—Translation.]

THE BEAUPRÉ-GIBSON-"CUBA" INCIDENT.

OUR LAST WORD.

In view of the magnanimous reception which the press and public opinion have accorded to the speech delivered day before yesterday by Sr. Soto in the House of Representatives in regard to this incident, we wish, on our part, in just interpretation of the sincere and highminded intentions of our editor, to throw further light upon the matter and explain what really happened in this unpleasant affair. Our editor has, in fact, already set it forth in his speech, in the following words:

I did not mean to wound the reputation of any person, nor to heap discredit upon any respectable representative accredited to our country; it could not occur to me, who fought on the fields of the Revolution and who am mindful of the timeliness of the assistance rendered us by the Americans in putting an end to the Revolution, to direct a wicked, cruel and unjustified attack against the representative of the American nation, which has always commanded our utmost respect. I attempted merely, in the heat of journalistic fray, to defend something that I regarded as sacred and to put a stop to a state of affairs that seemed to me harmful to the interests of my country.

The articles published in our columns upon this regrettable affair were in defense of Cuban interests thought to be jeopardized by the conditions to which Sr. Soto referred in his speech: by the frequent intervention of the American Legation in our affairs—often due, we must confess, to the misconduct of our internal policy.

Subsequently we have become convinced that our fears for the Cuban interests mentioned were unfounded and that the data that had been furnished us for their defense were untrue. We ought to have so stated at the time, in all sincerity; but, as our editor said in his speech:

Unfortunately, when that struggle was begun and a satisfactory solution might have been found, there arose, not the anger, rancor nor malevolence of those whom I attacked, but the untimely, malicious and interested intervention of a compatriot of ours, who sought to take advantage of this little incident, perhaps to reap pecuniary profit from any triumph over me that he might obtain.

In view of the campaign started against us by certain of our contemporaries, had we then come out and made the statement that we now make, advantage would surely have been taken of the occasion to attribute our conduct to fear; and we continued pitilessly to fight. The journalist, who must feel human weaknesses more intensely than others because he feels them publicly, in the presence of all his readers and of public opinion, prefers, rather than have himself adjudged fearful of the consequences of what he writes, to face all dangers.

But now, with our liberty of action completely restored and the attitude of our editor—which is naturally the attitude of "Cuba"—viewed with justice and noblemindedness, first by the House of Representatives and afterwards by the press and the public, "Cuba" takes pleasure in making the foregoing statement and in recognizing the honorable character of Mr. Beaupré and Mr. Gibson, Minister and Secretary of Legation, respectively, of the United States in our country.

File No. 837.911/28.

The Secretary of State to the American Minister.

No. 25.] DEPARTMENT OF STATE,
Washington, December 8, 1913.

SIR: Referring to previous correspondence regarding congressional immunity in Cuba, with particular reference to the supposed exemp-

tion of Cuban Congressmen from punishment for crime and particularly for the crime of libel, there are transmitted herewith copies of two despatches[1] from the American Legation at Madrid which furnish information regarding the Spanish laws and practice in this matter.

Owing to the fact that it is commonly stated in Cuba that the Cuban Constitutional provisions on this subject and the construction given thereto are similar to those of Spain, it would be well for your Legation, should opportunity again arise, to invite discreetly the attention of the Cuban Government to the substance of the reports from Madrid transmitted herewith.

I am [etc.]

For the Secretary of State:
J. B. Moore.

PARTICIPATION OF A CUBAN DELEGATION IN THE DEDICATION OF THE NATIONAL MAINE MONUMENT IN NEW YORK CITY.

File No. 811.413 M28/2.

The Acting Secretary of State to the Secretary of the Navy.

Department of State,
Washington, May 27, 1913.

Sir: Referring to this Department's letter of the 24th instant[1], I have the honor to advise you that the Department, having been informed through diplomatic channels that the Cuban Government will be officially represented at the inauguration of the *Maine* memorial on the 30th instant and has despatched the cruiser *Cuba* with one hundred troops of infantry and a military band to participate in the ceremonies, telegraphed to the Governor of New York the expression of its hope that the landing of the band and troops for the purpose of participating in the parade on the day mentioned will be agreeable to the State authorities, and it has requested the Secretary of the Treasury to instruct the Collector of Customs at the port of New York to extend the usual customs courtesies to the band and troops.

The Department is further informed that the Government of Cuba will be officially represented at the ceremonies by its Chargé d'Affaires at Washington, its Consul General at New York, the Commander of the cruiser *Cuba*, Congressmen Pazos and Torralbas, and Colonel José Martí, Chief of Staff of the Cuban Army.

I have [etc.]

J. B. Moore.

File No. 811.413 M28/7.

The Legation of Cuba to the Department of State.

[Memorandum.]

Viceconsulado adscripto a la Legación de Cuba,
Washington, D. C.

Cablegram received from the Secretary of State of Cuba appointment Señor Manuel de la Vega, Cuban Chargé d'Affaires, as Presi-

[1] Not printed.

dent of the Commission to represent the Government at the unveiling of the Maine Monument. The commission consists of Colonel José Martí, representing the Cuban Army; the Commander of the cruiser *Cuba*, representing the Navy; Consul General of Cuba Mariano Rocafort; Señores Pazos and Torralbas, of the Cuban House of Representatives, representing Congress. The Congressional Committee will arrive tomorrow morning from Havana via Key West, and will be met by the Mayor of the City of New York and Consul General Rocafort, and it is understood that Governor Sulzer will also meet the Commission. The Army and Navy Commission will arrive on the cruiser *Cuba* tomorrow morning.

The Cuban Chargé will leave tomorrow afternoon at 3 o'clock and will stop at the Plaza.

A luncheon will be given by the Maine Monument Commission at the Plaza Hotel at 1.30 p. m. Friday, and at 3 p. m. the unveiling ceremonies will take place.

(Not dated; received May 28, 1913.)

File No. 811.413 M28/8.

The Secretary of State of Cuba to the Secretary of State.

[Telegram—Translation.]

HABANA, *June 3, 1913.*

Permit me to convey to you the satisfaction felt by all the official and social elements of the Republic at the brilliant and friendly reception of the representatives and forces of the Army and Navy of Cuba who attended the dedication of the Maine Monument in the City of New York. As your telegram to the authorities of the State and City of New York recommending most solicitously the reception of the Cuban Commission contributed without doubt to so cordial a demonstration, I beg you to accept the expression of the sincere gratitude of our President, Government and people.

TORRIENTE.

File No. 811.413 M28/8.

The Secretary of State to the American Minister.

No. 238.] DEPARTMENT OF STATE,
Washington, June 19, 1913.

SIR: I enclose herewith a communication addressed to the Minister of Foreign Affairs of Cuba in acknowledgment of a telegram sent by him to the Secretary of State, expressing the gratitude of the President, the Government and the people of Cuba at the reception accorded to the Cuban representatives who attended the ceremonies incident to the dedication of the Maine memorial at New York City.

It is desired to have you hand the letter to the Minister.

I am [etc.]

For the Secretary of State:
J. B. MOORE.

[Inclosure.]

The Secretary of State to the Secretary of State of Cuba.

DEPARTMENT OF STATE,
Washington, June 19, 1913.

EXCELLENCY: I have had the honor to receive the telegram which you courteously despatched to me on the 3d instant, in which you were so good as to convey an expression of the gratitude felt by the President, the Government and the people of Cuba at the reception accorded to the representatives sent by your Government to attend the ceremonies incident to the dedication of the Maine monument at New York City.

The friendly action of the Government of Cuba in officially participating in these ceremonies was most highly appreciated by the Government of the United States, and I beg to assure you that the President and his associates in Government were greatly gratified to learn that the treatment received by the Cuban representatives was such as to warrant so cordial an acknowledgment.

I avail [etc.]

W. J. BRYAN.

File No. 811.413 M28/10.

The American Chargé d'Affaires to the Secretary of State.

No. 722.] AMERICAN LEGATION,
Habana, June 30, 1913.

SIR: I have the honor to acknowledge the receipt of the Department's instruction No. 238 of the 19th instant, enclosing a letter addressed to the Minister of Foreign Affairs (Secretary of State) of Cuba, acknowledging a telegram sent by him in regard to the reception accorded the Cuban representatives to the Maine memorial ceremonies; and to report that I have transmitted the letter in question to Mr. Torriente.

I have [etc.]

HUGH S. GIBSON.

DOMINICAN REPUBLIC.

MESSAGE OF THE PRESIDENT, ARCHBISHOP ADOLFO A. NOUEL.

File No. 839.032/6.

The American Minister to the Secretary of State.

AMERICAN LEGATION,
Santo Domingo, March 15, 1913.

SIR: I have the honor to enclose herewith a copy in Spanish text of the message which the Provisional President of the Republic, Archbishop Nouel, presented to Congress convened in ordinary session on February 27th.

I have [etc.]

WILLIAM W. RUSSELL.

[Inclosure—Translation—Extract.[1]]

As the land customhouses of Comendador and Tierra Nueva were abandoned by the Assistants of the General Receiver in consequence of the state of war, the United States Government resolved to protect said employees by maintaining the Frontier Guard, in order to prevent the customs receipts allotted to the payment of the foreign debt from suffering any detriment.[2]

With this object, and in view of its contractual relations with the Republic and its position as mediator between the Dominican Republic and the Republic of Haiti in their boundary dispute[3] the United States Government determined to consider as a de facto provisional line between the two Republics, without prejudice to the rights and obligations of either country and pending the conclusion of a final settlement of the boundary dispute, the line indicated on the map of Haiti and Santo Domingo prepared by the Second Division (Military Information) of the General Staff, Washington 1907 and 1908, sheet No. 6, of Monte Cristi, and sheet No. 7, of Barahona, which you will find appended to the Report on Foreign Relations.

Said measure, taken in order that the customs receipts might be duly protected and that the provisional line thus determined might be guarded and temporarily respected, was never carried out, for the reason that the abnormal situation of the country and the circumstances which occurred afterwards rendered unnecessary the action of the American Government along this line.

The commission sent here by President Taft at the beginning of September, 1912, after studying the situation not only with respect to the official object of its mission—that is, the restoration of the customshouses and of the Frontier Guard—but also with respect to our domestic policy, withdrew some days before the resignation of President Victoria, without the troops who came with it on the *Prairie* having to land at any point on Dominican territory.

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I deem it my duty to copy here, for the information of the Congress, the messages which, under date of December 12, 1912,[4] and January 23 last,[5] I received from the President of the United States in regard to the state of our domestic

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[1] This passage is the only one making reference to the United States.
[2] For. Rel. 1912, pp. 340 et seq.
[3] For. Rel. 1912, pp. 380 et seq.
[4] For. Rel. 1912, pp. 378–379.
[5] See post, p. 419–420.

politics at the time, and to the desire of that Government to guarantee the peace and prosperity of the Dominican Republic. I will also copy the answer at the foot of each document:

It is very distressing to me to know that your duties as Provisional President have proved so irksome, but I earnestly hope that you will continue to discharge them for the allotted time, in the interests of humanity and peace; and I can hardly doubt that every good element will join in supporting the Provisional Government and thus perform their patriotic duty toward the Dominican Republic, in whose welfare the United States is so vitally interested. I assure you that your efforts on behalf of the Dominican people will receive from the Government of the United States the sincerest and most earnest support.

WM. H. TAFT.

President Taft,
Washington:

Accept this expression of my gratitude for Your Excellency's message, received today. Like you, I hope that all good Dominicans will fulfill their patriotic duty to the Republic, which a long and cruel civil war has caused to suffer greatly. I must trust to the good faith of my fellow-citizens, who are well aware of the sentiment of the great American people, pioneers of liberty and justice, and of the desires of their Government.

The limit of my tenure will depend on circumstances, and it is my fixed intention to leave it as soon as the whole country is pacified.

In my name and that of the Dominican people receive, Mr. President, the expression of the most sincere gratitude.

ADOLFO A. NOUEL.

The most sympathetic interest is felt by the President and Government of the United States in your unselfish and patriotic efforts to maintain lawful and orderly government and to introduce needful reforms, thus assuring to the Dominican nation the blessings of prosperity and peace. The President and Government of the United States sincerely wish that your patient endeavors may so succeed as to exclude the possibility of a recurrence of such disorders as have afflicted the Dominican people. Those disorders would by their recurrence make more onerous the duty of the United States under its conventional and moral obligations never to be indifferent to the peace and order of the Dominican Republic.

WM. H. TAFT.

President Taft,
Washington:

I am profoundly touched by the generous interest of the Government and people of the United States and their hope that my persevering efforts for the peace and prosperity of the Dominican nation may prove so successful as to exclude all possibility of a recurrence of the disorders that have afflicted it.

Notwithstanding the obstacles which the former state of war and its consequences have caused, I earnestly trust—and I beg Your Excellency to share this trust—that the occasion may not arise for the Government of the United States to fulfill in a manner painful to the Dominican people its moral obligations and those imposed by the Convention of 1907.

PRESIDENT NOUEL.

POLITICAL AFFAIRS—RESIGNATION OF PRESIDENT NOUEL; ELECTION AND INAUGURATION OF PRESIDENT BORDAS; REVOLUTION; MEASURES IN REGARD THERETO TAKEN BY THE UNITED STATES; OBSERVATION OF DOMINICAN ELECTIONS BY UNITED STATES OFFICIALS.[1]

File No. 839.00/777.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Santo Domingo, January 15, 1913.

President Nouel advised me this morning of a plot to gain possession of the fort here by prominent Horacista generals. Horacio Vásquez himself denounced the plot and offered to place himself and some of his followers in the fort to maintain order.

The Archbishop [President Nouel] has for some time been urged arbitrarily to abolish the present Congress and make himself dictator.

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[1] Continued from For. Rel. 1912, pp. 340–380.

He has absolutely refused and is thinking of convoking Congress in extraordinary session to consider constitutional reforms and other matters.

He expresses himself as despondent over the probabilities of success in his efforts for good government unless the Government of the United States takes an active part in controlling elections and the establishment of a government expressing the will of the people. He therefore requests me to obtain from you if possible a statement that can be made public as to the necessity of such a step on our part if the disorders of the past should tend to recur.

RUSSELL.

File No. 839.00/777.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, January 22, 1913.

The following statement may be given to President Nouel as a message from me, to be made public if he sees fit:

The most sympathetic interest is felt by the President and Government of the United States in your unselfish and patriotic efforts to maintain lawful and orderly government and to introduce needful reforms, thus assuring to the Dominican nation the blessings of prosperity and peace. The President and Government of the United States sincerely wish that your patient endeavors may so succeed as to exclude the possibility of a recurrence of such disorders as have afflicted the Dominican people. Those disorders would by their recurrence make more onerous the duty of the United States under its conventional and moral obligations never to be indifferent to the peace and order of the Dominican Republic.

You will do everything in your power to hold up the hands of the President, Archbishop Nouel, and to impress him with the necessity of patiently continuing in office. It would be well to advert in your conversations to the fact that under the present electoral law it is apparently almost impossible to accomplish much in the direction of free elections, however willing the Government of the United States might be to lend its aid: and that as a prerequisite to free elections it would seem indispensable to provide some form of previous registration and some form of voting that would prevent fraud. You might also suggest in informal conversation that besides the electoral law other reforms seem to the Department to be urgently needed, and that these might possibly be accomplished without reform of the Constitution. For instance, reform of the laws relating to provincial and communal governments, the law of conscription (so as to provide for an annual enlistment by lot instead of at the will of local military chiefs), and the creation of a right to question arrest by means of habeas corpus or other such proceedings.

You might also point out to the President how much easier it would be for the United States to lend its aid if necessary to assist in the conduct of free and orderly elections if such reforms were realized.

KNOX.

File No. 839.00/785.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Santo Domingo, January 24, 1913.

The Department's statement for publication was given to the press and telegraphed to the governors of all the provinces. The Archbishop requests me to answer you as follows:

I am profoundly touched by the generous interest of the Government and people of the United States and their hope that my persevering efforts for the peace and prosperity of the Dominican nation may prove so successful as to exclude all possibility of a recurrence of the disorders that have afflicted it.

Notwithstanding the obstacles which the former state of war and its consequences have caused, I earnestly trust—and I beg Your Excellency to share this trust—that the occasion may not arise for the Government of the United States to fulfill in a manner painful to the Dominican people its moral obligations and those imposed by the Convention of 1907.

RUSSELL.

File No. 839.00/802.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Santo Domingo, February 28, 1913.

Congress convened yesterday in ordinary session. The President presented his message, which contained many proposals of reform.

RUSSELL.

File No. 839.00/807.

The American Chargé d'Affaires to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN LEGATION,
Santo Domingo, March 14, 1913.

President Nouel will resign early in April, if not sooner. His brother, the Minister of the Interior, promises to give me the earliest information as to the exact date. The President's health is said to have improved slightly but the doctors forbid his resuming work until after a complete rest. He is in Barahona recuperating.

All are aware of the approaching resignation and are preparing accordingly. Vidal and Arias are supposedly working together. Vásquez is well prepared. Velásquez is said to be the choice of Congress.

At least one gunboat should be here all the time, not leaving for coal unless replaced by another.

CURTIS.

File No. 839.00/808.

AMERICAN LEGATION,
Santo Domingo, March 19, 1913.

The Archbishop will resign the presidency probably Tuesday or Wednesday of next week, according to information received this morning from his brother, Secretary Nouel, who desires me to have an

additional gunboat at this capital for moral effect. I have consulted with the commander of the *Wheeling* and we conclude that it is advisable to have a second gunboat within call, preferable at Mayaguez or in Samaná Bay, since the cutting of the telegraph lines across the island will probably be the first act of any new revolution.

CURTIS.

File No. 839.00/808.

The Acting Secretary of State to the American Chargé d'Affaires.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, March 20, 1913.

Deliver to the President of the Dominican Republic the following telegram from the President:

I regret to learn that your arduous official duties have so impaired your health as to cause Your Excellency seriously to consider resigning the Presidency of the Dominican Republic.

Permit me to say that I earnestly hope Your Excellency will reconsider a purpose that might be so prejudicial to order in the Republic and that you may continue in office at least until an election can be held that shall permit the free expression of the Dominican people.

I assure Your Excellency of my earnest sympathy in your difficult and patriotic effort to promote the welfare of your country, and of my hope for its success.

ADEE.

File No. 839.00/811.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Santo Domingo, March 24, 1913.

I gave the President's message to the Minister for Foreign Affairs, who sent it to President Nouel at Barahona by the Minister of the Interior. The Minister for Foreign Affairs informs me today that he is sending the response of the Archbishop directly to the President. The Archbishop expects to continue in the presidency until Arias reaches Cibao, about the beginning of next week.

The Ministers of Foreign Affairs, Interior and Finance, and ex-President Jiménez, have all asked for an increased naval force here, for moral effect. A large ship is urged by the Minister for Foreign Affairs, on the ground that in this country there is a widespread expectation that the Government of the United States will henceforth leave the Latin American republics entirely to themselves. Except for this I can see no present necessity.

CURTIS.

File No. 839.00/814.

The President of the Dominican Republic to the President.

[Telegram—Translation.]

SANTO DOMINGO, *March 24, 1913.*

I sincerely thank you for the message that Your Excellency has just addressed to me upon learning of my intention to resign the

Presidency of the Republic because of my broken health. It would have been my greatest desire to attain constitutional reform and, under protection thereof, that such free elections might be held as would guarantee the peace and the future of the Republic. The renewed assurances of sympathy from Your Excellency to my Government are for me and for the Dominican people a motive of real satisfaction.

PRESIDENT NOUEL.

File No. 839.00/812.

The Acting Secretary of State to the American Chargé d'Affaires.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, March 24, 1913.

The revenue cutter *Algonquin* will proceed at once to Dominican waters to establish radio communication with the *Wheeling*.

ADEE.

File No. 839.00/816.

The American Chargé d'Affaires to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN LEGATION,
Santo Domingo, March 26, 1913.

Algonquin established radio communication with *Wheeling* today. Consul at Puerto Plata requested to inform commander of *Algonquin* in case the telegraph lines across the island are cut, and to ask him to communicate immediately with the *Wheeling*.

CURTIS.

File No. 839.00/818.

AMERICAN LEGATION,
Santo Domingo, March 31, 1913.

The resignation of President Nouel was presented to Congress this morning, and was accepted. Order is being maintained.

CURTIS.

File No. 839.00/819.

The American Consul at Puerto Plata to the Secretary of State.

[Telegrams—Paraphrases.]

PUERTO PLATA, *April 1, 1913.*

Arias yesterday agreed with Vásquez here to resist election of Velásquez. Cibao apparently united to make war in case of election of Velásquez.

HATHAWAY.

File No. 839.00/824.

PUERTO PLATA, *April 6, 1913.*

General José Bordas Valdés was unanimously chosen President by the Senate yesterday, on first reading.

HATHAWAY.

File No. 839.00/827.

The American Chargé d'Affaires to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN LEGATION,
Santo Domingo, April 7, 1913.

The unanimous election of Bordas by the Senate on the 5th is not expected to be final. Perfect order here; minor disorders reported elsewhere. Arias in possession of the Dominican gunboat and troubling northern ports. Telegraph lines just outside this city destroyed Thursday.

CURTIS.

File No. 839.00/829.

AMERICAN LEGATION,
Santo Domingo, April 9, 1913.

Bordas again unanimously chosen by the Senate yesterday.

CURTIS.

File No. 839.00/831.

AMERICAN LEGATION,
Santo Domingo, April 11, 1913.

The Senate elected Bordas yesterday for the third time. Today the House rejected him, 15 to 9, and later voted Jiménez, 8; Vásquez, 8; Velásquez, 5.

CURTIS.

File No. 839.00/832.

AMERICAN LEGATION,
Santo Domingo, April 12, 1913.

Yesterday morning the House rejected Bordas and voted twice without mentioning his name. Yesterday afternoon, and again this morning, it gave him a majority. He will probably be finally elected tomorrow, and on Monday inaugurated.

CURTIS.

File No. 839.001 B64.

AMERICAN LEGATION,
Santo Domingo, April 14, 1913.

President Bordas was inaugurated today.

CURTIS.

File No. 839.001 B64/1.

The Minister of the Dominican Republic to the Secretary of State.

DOMINICAN LEGATION,
Washington, June 6, 1913.

MR. SECRETARY: I have the honor to send you herewith the autograph letter[1] of the President, General José Bordas Valdés, to His Excellency President Wilson, in regard to his election as President ad interim of the Dominican Republic, with the request that you will kindly forward it to its high destination.

I avail [etc.] FRAN'CO J. PEYNADO.

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[1] Not printed.

File No. 839.001 B64/1.

The Secretary of State to the American Chargé d'Affaires.

No. 147.] DEPARTMENT OF STATE,
Washington, July 8, 1913.

SIR: I enclose, with office copy, a letter[1] addressed by the President to His Excellency General José Bordas Valdes, acknowledging His Excellency's letter of April 14, last in which he announced his assumption of the Presidency of the Dominican Republic, and his entrance upon the duties of that office.

I am [etc.]

(For the Secretary of State:)
J. B. MOORE.

File No. 839.00/856.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Santo Domingo, September 2, 1913.

Governor Céspedes has organized a separate government at Puerto Plata with himself as President, according to what appear to be reliable reports, which add that troops from Santiago are marching against him.

CURTIS.

File No. 839.00/860.

The Secretary of State to the American Consul at Puerto Plata.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, September 4, 1913—1 p. m.

Report received from American Legation at Santo Domingo that a revolution has probably broken out at Puerto Plata under Governor Céspedes. The *Des Moines* should arrive at Puerto Plata about the 9th instant to protect the lives and property of Americans, and others as circumstances may require. Inform local authorities, cooperate fully with Commander Long upon his arrival, and keep the Legation and Department fully informed.

BRYAN.

File No. 839.00/857.

The American Vice Consul at Puerto Plata to the Secretary of State.

[Telegram—Paraphrase.]

PUERTO PLATA, *September 4, 1913—3 p. m.*

Governor Céspedes on Tuesday issued a manifesto here declaring the province severed from the central Government.

ESTEVA.

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[1] Not printed.

File No. 839.00/860.

The Secretary of State to the American Chargé d'Affaires.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, September 4, 1913—9 p. m.

The *Des Moines* should arrive from Willemstad at Puerto Plata on the 9th instant or before, to protect the lives and property of Americans, and others as circumstances may require. So inform the Dominican Government and take the first favorable opportunity to communicate to Governor Céspedes—and also to Horacio Vásquez, should he be implicated—the profound displeasure felt by this Government at his pernicious revolutionary activity, for which this Government will not fail to fix the responsibility. Inform the Department fully of all developments.

BRYAN.

File No. 839.00/861.

The American Vice Consul at Puerto Plata to the Secretary of State.

[Telegram—Paraphrase.]

PUERTO PLATA, *September 6, 1913—12 m.*

Telegraphic communication with Santo Domingo cut off. Dominican gunboats are shelling Puerto Plata, endangering the lives and property of Americans.

ESTEVA.

File No. 839.00/861a.

The Acting Secretary of State to the American Consul at Puerto Plata.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, September 6, 1913—2 p. m.

The *Seminole* may call at Puerto Plata, as it sailed before receipt of word that that port was closed. You may so advise the Deputy Collector at Puerto Plata, and add that interference with the collection of customs should under no circumstances be permitted to interests unfriendly to the central Government.

OSBORNE.

File No. 839.00/912a.

The Secretary of State to the American Minister.[1]

DEPARTMENT OF STATE,
Washington, September 9, 1913.

SIR: The President directs me to say for your instruction that the influence of this Government will be exerted for the support of lawful authorities in Santo Domingo, and for the discouragement of

[1] James M. Sullivan; appointed August 12, 1913, vice W. W. Russell, resigned.

any and all insurrectionary methods. You will carry with you a copy of the President's statement of last March which sets forth fully, and in such a way as to leave no doubt, his position on two important points, namely: First, that we can have no sympathy with those who seek to seize the power of government to advance their own personal interests or ambition; and, second, that the test of a republican form of government is to be found in its responsiveness to the will of the people, its just powers being derived from the consent of the governed.

It is not to be expected that those in power will be able to avoid mistakes but mistakes should be corrected by constitutional means. Neither is it to be supposed that reforms will in all cases be brought about as soon as they ought to be, but the remedy for this is agitation—not insurrection.

Say to any who may feel aggrieved or who may be disposed to resort to violence that the good offices of this Government can be counted upon at all times to assist in the establishment of justice, in the remedying of abuses, and in the promotion of the welfare of the people. We must depend, therefore, upon all the people of Santo Domingo, of whatever party or faction, to join together in securing justice through law and in the election by free and fair ballot of officials whom the people desire. You will make it known to those now in insurrection that this Government will employ every legitimate means to assist in the restoration of order and in the prevention of further insurrections, holding itself open at all times to advise with the government in behalf of those who feel that they have a grievance.

I am sure that when the disinterestedness of our Government is fully understood, its friendship will be appreciated and its advice sought.

I am [etc.]

W. J. BRYAN.

File No. 839.00/867a.

The Acting Secretary of State to the American Consul at Puerto Plata.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, September 10, 1913.

The American Chargé d'Affaires was instructed by the Department, on September 4, to communicate at the earliest favorable opportunity to Governor Céspedes—and to Horacio Vásquez, should he also be implicated—the profound displeasure of this Government at their revolutionary activity, for which the Government of the United States will not fail to fix the responsibility.

If the American Chargé d'Affaires has been unable to communicate the foregoing to its destination, you, accompanied by Commander Long of the *Des Moines*, will immediately call upon Governor Céspedes and you and Commander Long will jointly inform him thereof.

OSBORNE.

File No. 839.00/868.

The Vice Consul at Puerto Plata to the Secretary of State.

[Telegram—Paraphrase.]

PUERTO PLATA, *September 12, 1913.*

Your instruction of September 10 has been complied with, jointly with Commander Long. We notified Céspedes and Vásquez.

ESTEVA.

File No. 839.00/872 and 872c.

The Secretary of State to the American Consul at Santiago de Cuba.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, September 12, 1913.

On the arrival at Santiago of the American Minister to the Dominican Republic, James M. Sullivan, you will hand to him the message quoted below, and request that he communicate it to Governor Jesús Céspedes and Horacio Vásquez, Puerto Plata.

Firm in its intention to cooperate with the legally constituted Government in order that revolutionary activity may cease, the Department of State makes known to the revolutionists and those who foment revolutions the following:

Under the Convention of 1907, the Dominican Republic cannot increase its debt without the consent of the United States of America, and this Government will not consent that the Dominican Government increase its debts for the purpose of paying revolutionary expenses and claims. Moreover, this administration would look with disfavor on any administrative act that would have for its object increase of the taxes, thereby imposing a burden upon the people, for the purpose of satisfying revolutionists. And should the revolution succeed, this Government, in view of the President's declaration of policy, would withhold recognition of the de facto government, and consequently withhold the portion of the customs collections belonging to Santo Domingo as long as an unrecognized de facto government should exist.

BRYAN.

File No. 839.00/874.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

U. S. S. DES MOINES,
(VIA WIRELESS).
SAN JUAN, PORTO RICO [undated],
(Received September 16, 1913.)

At Monte Cristi on September 15 I explained the attitude of the United States to the Governor and citizens. The province is supporting the Government and I was well received. Sent request to front Government troops not to take offensive. Engagement at Navarrete the 16th reported.

SULLIVAN.

File No. 839.00/875.

The American Vice Consul at Puerto Plata to the Secretary of State.

[Telegram—Paraphrase.]

Puerto Plata, September 16, 1913.

Engagement at Navarrete reported in favor of revolutionists who are now attacking Las Lagunas.

ESTEVA.

File No. 839.00/887.

The Minister of the Dominican Republic to the Secretary of State.

[Translation.]

DOMINICAN LEGATION.
Washington, September 18, 1913.

MR. SECRETARY: Under special instructions from my Government I have the honor to inform you that on the 4th instant and because of the rebellious attitude of the authorities of the Provinces of Puerto Plata and Samaná, the ports of Puerto Plata, Samaná and Sánchez have been declared closed to commerce and blockaded.

I avail [etc.]

FRAN'CO J. PEYNADO.

File No. 839.00/884.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

PUERTO PLATA, *September 19, 1913.*

We have conferred with the revolutionary leaders and induced them to abandon physical force and resort to constitutional methods of righting grievances on the following promise and guaranty: No reprisals by the Bordas Government; matters to remain in statu quo with Céspedes as Governor of Puerto Plata; an honest ballot at a fair election in the near future. I start immediately for Santo Domingo to secure the consent of the Dominican Government to this solution, and a courier is leaving Puerto Plata to communicate with the commanding officers in the field at Santiago; the *Des Moines* goes to Monte Cristi to reach Arias.

SULLIVAN.

File No. 839.00/885.

The Minister of the Dominican Republic to the Secretary of State.

DOMINICAN LEGATION,
Washington, September 20, 1913.

MR. SECRETARY: The New York Herald, in its edition of the 17th instant, published a report that the steamship *Seminole* of the Clyde Company, disobeying the orders that Commander Ortori gave its Captain not to enter Puerto Plata because of the blockade that had been decreed and which the Dominican cruisers *Independencia* and *Jacagua* were rendering effective, entered the said port.

You will recall that the Department and this Legation had considered it unnecessary and even inexpedient to deprive the *Seminole* of entry into the blockaded ports, considering that she had left New York before the date of promulgation of the decree of blockade and that her entry would not cause much harm to the Dominican Government since it was certain that there were neither arms nor ammunition on board. But the commanders of the cruisers charged with making the blockade effective did not know of these circumstances, wherefore it is credible that if they did not use force to prevent the entry of the *Seminole* into Puerto Plata it was because they did not wish to act unpleasantly toward the North American Government which since the revolution began has showed that it had decided to aid the constitutional Government.

Therefore, and to avoid the repetition of similar acts which by disregarding the blockade would permit the introduction of contraband of war into the province in insurrection, and lest the ships charged with maintaining the blockade should fire on the merchant vessels that may fail to respect it, permit me to request of you, as one of the legitimate means offered by President Wilson "to assist the Government of President Bordas to reestablish order and prevent new insurrections," that the commanders of American war ships now in Dominican waters and those that may go there later be directed to warn every captain of an American merchant ship that endeavors to break the blockade of his duty to respect it, and to warn all captains of foreign ships who seek to proceed in like manner that the Government of the United States has decided to respect the measure decreed on the 4th instant by President Bordas as essential to the reestablishment of peace in the Dominican Republic.

I avail [etc.]

FRANCISCO J. PEYNADO.

File No. 839.00/886.

The Minister of the Dominican Republic to the Secretary of State.

DOMINICAN LEGATION,
Washington, September 20, 1913.

MR. SECRETARY: In connection with the cablegram that you received yesterday from the Honorable James W. Sullivan, which you had the kindness to show me today at the Department, in which he reports that the leaders of the revolution in Puerto Plata agree to suspend offensive operations and to use none but constitutional methods, etc., on condition that the situation should remain in statu quo, etc., I venture to draw your attention to the fact that the statu quo implies that the ports of Sánchez, Samaná and Puerto Plata will continue closed and blockaded until a final solution shall have been reached or the Government of President Bordas shall decide otherwise, since the blockade was decreed at an earlier date and has not been rescinded by the Constitutional Government of the Republic, which ordered it.

I avail [etc.]

FRAN'CO J. PEYNADO.

File No. 839.00/889.

The American Minister to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN LEGATION,
Santo Domingo, September 22, 1913.

The Dominican Government consents to cessation of hostilities pending answer of revolutionists to a change in the proposition I submitted, namely, that Céspedes should not be Governor but may name anyone he chooses, whom the President will appoint. This amendment is made because of the claim that the retention of Céspedes would be humiliating in view of his insults to the President.

The blockade interferes with commerce but the Government seeks to justify it on the ground that the rebels would otherwise secure supplies. I believe this position untenable because the Government of the United States has declared that constitutional authorities cannot be overthrown. I have wedged in our right to maintain peace and to expect non-interference, direct or indirect, with customs receipts. Please send text of formal note on this point.

Both sides are anxious for conflict and impatient of restraint.

SULLIVAN.

File No. 839.00/890.

AMERICAN LEGATION,
Santo Domingo, September 22, 1913.

I urgently request authority to insist that all ports be opened, on the ground that the revenues of the receivership are decreased by the closure.

SULLIVAN.

File No. 839.00/895a.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, September 25, 1913.

The Department believes that the blockade should be preserved in order to prevent the revolutionists from becoming emboldened by receiving or hoping to receive from abroad arms, ammunition or supplies.

In regard to Céspedes, to allow revolting governors to retain their posts would seem like rewarding treason; hence it is better that a friend of Céspedes be appointed in his stead in order to avoid a repetition of the recent past.

In the revolting provinces the President should appoint new military commanders of whom he is absolutely sure, since the retention of Horacista governors might otherwise jeopardize peace.

You must insist that there shall be no reprisals and that the revolutionists be given all guaranties.

BRYAN.

File No. 839.00/885.

The Secretary of State to the Minister of the Dominican Republic.

No. 81.] DEPARTMENT OF STATE,
Washington, September 26, 1913.

SIR: I have the honor to acknowledge the receipt of your note of the 20th instant, in which, referring to the entrance of the *Seminole* into Puerto Plata [etc.]

I have the honor to advise you in reply that the Department has telegraphed [1] to the American missions in the countries whose vessels regularly touch Dominican ports that this Government will respect the blockade of Puerto Plata, Sánchez and Samaná, and has instructed them so to advise the Governments to which they are accredited. It has also requested that the Secretary of the Navy should station a ship at Puerto Plata and another in Samaná Bay the commanders of which should lend their good offices with a view to causing the blockade to be respected.

Accept [etc.]

For the Secretary of State:
JOHN E. OSBORNE.

File No. 839.00/899.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Santo Domingo, September 27, 1913.

The Commander of the *Des Moines* telegraphs me that the rebel leaders accede fully to the amended conditions and have so informed the Dominican Government, which is highly gratified at the success of our efforts. The negotiations were closed before the receipt of your telegram concerning military commanders.

I believe that the Dominican people are realizing that your policy of assuming that revolutions are no more than a means of securing political power, and that your policy has in this instance saved much human life.

SULLIVAN.

File No. 839.00/899.

The Acting Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, September 30, 1913.

Department suggests a written agreement covering every point agreed upon and bearing the signatures of the contending factions, witnessed by you or commander of battleship, as tending to impress on all concerned the solemnity of the agreement.

OSBORNE.

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[1] Not printed.

File No. 839.00/907.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Santo Domingo, October 2, 1913.

I based the conditions I suggested upon which hostilities were to cease upon the Department's stand that revolution would never again bring a government into power here. This basis was given to both sides in writing and I said that we would refuse to discuss the justice of any grievance as a basis for revolution, and that this position is taken not alone in regard to the leaders of the present revolution but also all future ones.

Upon these considerations, do you not think that the revolutionists might be conceded the dignity of permission to sign what they would construe as a formal treaty for this time only, whereas the declaration of policy is for all time?

Both sides are still anxious to fight.

SULLIVAN.

File No. 839.00/907.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, October 4, 1913.

The agreement should be put in writing so that no misunderstanding of promises by either side need occur; but it should not be construed as a treaty.

A temporary agreement is better than none, as it gives time for removing the causes of trouble.

I am gratified at your management of the affair. Use your persuasive powers to the utmost to prevent hostilities and to secure a basis upon which peace may be permanently restored.

BRYAN.

File No. 839.00/913.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Santo Domingo, October 6, 1913.

The revolutionists yield to the American declaration that force of arms can never again settle any question, and it is understood by all parties that the last civil war of the country is over. The revolutionists will rely on the assertion of our Government that a free ballot and fair elections will be insisted on. The conference lasted three days. The commanders of the *Des Moines* and *Nashville* rendered me invaluable assistance throughout the negotiations. I insisted on complete disarming of the revolutionists, and this was made one of the conditions of the agreement.

SULLIVAN.

File No. 839.00/913.

The Acting Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, October 8, 1913.

Telegraph all conditions of final pe... arrangement. The Department hopes for an early establishment of actual peace so that the blockade may be lifted, and assumes that the arms of the revolutionists will be delivered immediately. The Department is gratified with your October 6.

MOORE.

File No. 839.00/919.

The American Minister to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN LEGATION,
Santo Domingo, October 10, 1913—6 p. m.

Puerto Plata revolutionists repudiate terms made by their representatives, who had absolutely full powers, and raise impossible conditions, namely that all officials throughout the rebellious provinces shall be selected from among their friends. They had on two occasions agreed to peace, and signed the agreement the second [omission in transmission.]

I leave at once for Puerto Plata.

Further negotiations would, I believe, be worse than futile. The good people of this country are praying that we insist on this peace even if we have to fight for it. Never again will there be as good an opportunity to show these malcontents that the United States means business and will use force if necessary to establish order, as the revolution is almost entirely confined to coast towns whereas other revolutions have always extended into the interior.

Please fortify me with instructions to take the most drastic measures.

SULLIVAN.

File No. 839.00/921.

AMERICAN LEGATION,
Santo Domingo, October 10, 1913—7 p. m.

The following is a substantially complete translation of the signed peace agreement, requested in your telegram of October 8:

First. Elections shall be entirely free until choice of a permanent President, the Executive promising to dismiss any official under its control who fails to observe strict neutrality in this respect.

Second. The Executive proposes for Governor of Puerto Plata the following candidates: Carlos Ginebra, Manuel Cocco, J. E. Pimentel, and Cristobal Perello.

Third. The President of the Republic shall choose as Governors of Moca, San Francisco Macoris and Samaná individuals whose good conduct shall be guaranty to those under their command.

Fourth. The Executive approves expenditures made by the revolution derived from internal revenues and from articles belonging to the State.

Fifth. The Executive gives full guaranties to all who have taken part in the revolution.

Sixth. It is distinctly understood that after the restoration of peace the Executive shall proceed opportunely with the disarmament, in accordance with the decree of August 22, term to be newly extended.

The second and third clauses are those objected to by the revolutionists, on the ground that they would prevent fair elections.

SULLIVAN.

File No. 839.00/921.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, October 13, 1913.

The fact that Samaná and Sánchez are reported to have capitulated makes it unwise to make threats or answer hypothetical questions as to what this Government might do.

Present as strongly as possible this Government's position and its demands for resort to constitutional methods. Let the revolutionists know that all the influence we can exert will be employed to support the Government against them.

BRYAN.

File No. 839.00/977.

The Minister of the Dominican Republic to the Secretary of State.

[Translation.]

DOMINICAN LEGATION,
Washington, October 15, 1913.

MR. SECRETARY: I have the honor to inform you that the Dominican Government having recovered the Province of Samaná, and the state of rebellion that caused the blockade and closure of the ports of Samaná and Sánchez having come to an end, those two ports have again been opened to commerce and the blockade has been raised there.

I avail [etc.]

FRAN'CO J. PEYNADO.

File No. 839.00/926.

The American Consul at Puerto Plata to the Secretary of State.

[Telegram—Paraphrase.]

PUERTO PLATA, *October 16, 1913.*

All misunderstanding cleared away. The revolutionists have accepted treaty of peace signed in Santo Domingo October 6 [omission in transmission]. Vásquez and Céspedes have signed the original copy and deposited it with me.

HATHAWAY.

File No. 839.00/944.

The Minister of the Dominican Republic to the Secretary of State.

[Translation.]

DOMINICAN LEGATION,
Washington, October 25, 1913.

MR. SECRETARY: I have the honor to inform you that the state of revolt in the Province of Puerto Plata that caused the blockade and closing of the port of Puerto Plata having come to an end the Dominican Government today declared the blockade suspended and the said port again open to the world's trade.

I take pleasure in calling your attention to the fact that through this declaration of my Government the three ports that had been closed as a consequence of the late revolution are now open.

I avail [etc.]

FRAN'CO J. PEYNADO.

File No. 839.00/960.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Santo Domingo, November 13, 1913.

The situation has become tense in view of the approaching constitutional election, which will occur on December 15. Any move on our part indicating a relaxation of interest might be construed as disregard of our promise to secure a fair election. I refer particularly to the contemplated removal of one of the vessels.

SULLIVAN.

File No. 839.00/968a.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, November 21, 1913.

To insure proper cooperation between the Department and the Legation in carrying out of this Government's guaranties of a fair ballot and free election, cable immediately your views as to the best method of procedure.

BRYAN.

File No. 839.00/973.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Santo Domingo, November 22, 1913.

Captain Nulton of the *Nashville*, Mr. Smith, Secretary of the Legation, and I, after mature deliberation have decided to recommend

a non-interfering scrutiny by open agents appointed by the Department at the principal towns and polling-places, upon whose joint report the Department will decide as to the validity of the constitutional election, the Dominican Government to be informed of our purpose with the assurance from us that unless the election of December 15 expresses the will of the people as a whole the American Government will take full control of the presidential election that follows. The American agents should be at their posts not later than December 10. If this plan is acceptable to the Department the Legation will furnish list of polling-places.

SULLIVAN.

File No. 839.00/960.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, November 24, 1913—7 p. m.

Convey to the President the following in regard to the coming elections:

As the condition upon which peace was restored, free and fair elections were guaranteed by the Government of the United States. It is therefore incumbent upon this nation not only to use its good offices to secure such elections but from the standpoint of the Dominican Government it is also imperative that the election should be so conducted as to give no reasonable excuse for criticism. A free election is possible only when all qualified voters are permitted to vote and the votes counted as cast.

You will therefore confer with the President and urge such regulations as will permit free access to the polls of all qualified voters.

As to the counting of the vote, one thing above all others is necessary in order to give confidence, namely, that the minority party as well as the Government party shall have judges of its own selection at all polling-places. There should therefore be at least two judges at each polling-place, and at least one of these should not only belong to the opposition but should be selected by the opposition. As three parties will present candidates, the greatest satisfaction would be given by an arrangement giving one judge to each party. But if you cannot secure this you should at any rate be able to secure the selection of the opposition judge from the party that has the greater strength in his own precinct or section. These judges should make a record of all contests, and the contests should be heard before a general canvassing board on which all three of the parties would be represented. It would be well for you to be present at the canvassing to give advice and lend your influence in behalf of absolute impartiality.

This Government is of course indifferent as to which party succeeds. It merely desires the maintenance of constitutional government; and there, as here, constitutional government means that the people shall rule and have what they want in the matters of policies and offices.

I take it for granted that during the campaign freedom of speech will be allowed, so that each party can present its cause to the voters. If you observe anyone tending to interfere with freedom of speech, show him how essential freedom of speech is to popular government.

You have succeeded admirably in securing peace and we hope that your success will be as pronounced in securing the only guaranty of peace—a free and fair election.

BRYAN.

File No. 839.00/960.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, November 24, 1913—8 p. m.

In regard to your telegram of the 13th instant in regard to removal of vessels, you are advised that the *Nashville* will proceed to Santiago de Cuba for about a fortnight and will be back at her station in Dominican waters about the 10th of December, in sufficient time for any service in relation to the election.

BRYAN.

File No. 839.00/973.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, November 28, 1913.

Department's November 21, your November 22, and Department's November 24, 7 p. m. Do you not consider that the guaranty of a fair ballot and free election is entirely covered by the substance of Department's November 24, 7 p. m., or do you adhere to the recommendations in your November 22? If the latter, have you available on the ground or in Puerto Rico men acceptable to the Dominicans and to you, whose presence would attract no undue attention; or would a result satisfactory to all parties be more likely to come from a general knowledge that the United States would conduct a non-interfering scrutiny?

BRYAN.

File No. 839.00/975.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Santo Domingo, November 30, 1913.

Department's November 28. The Legation thought that the Department's November 24, 7 p. m., rejected my recommendations of November 22. Consequently I immediately requested of the President all that the Department's telegram pointed out, and also the publication of a proclamation promising the safeguards named by you. Although the requests have not yet been answered, the Secretary of the Interior has responded with a command to the governors to secure the proper conditions for a fair election.

I believe that my recommendations of November 22 should be put in force to supplement and fortify your instruction of November 24,

7 p. m. Agents for observation only, in my opinion, would cause least dissatisfaction.

The Department's influence is already giving to the people and the press privileges never enjoyed before under similar circumstances.

SULLIVAN.

File No. 839.00/975.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, December 2, 1913.

The Department did not intend to disregard your November 22; by its November 24, 7 p. m., it thought to take additional precautions against fraud. Your recommendation of non-interfering scrutiny is approved.

Through the Bureau of Insular Affairs the Department will have suitable agents from Porto Rico conveyed to Santo Domingo in time to study conditions and take their posts before the election; and will send from Washington three or four qualified men duly accredited as the Department's commissioners, who will supervise the Department's agents at the polling-places.

The Department is preparing a printed statement in Spanish to be distributed throughout the Republic clearly defining its position.

The Navy Department has been requested to furnish a third vessel for duty in Dominican waters during the election.

BRYAN.

File No. 839.00/978.

The American Minister to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN LEGATION,
Santo Domingo, December 2, 1913—Noon.

The Government is impatient of my insistence upon decent elections, and has arrested three principal orators of the opposition. The nightly demonstrations give color of right to the Government's course, and the opposition probably hopes for American intervention. Placards are posted about the city quoting my written promises to secure constitutional remedies. I urge sending the additional vessel immediately.

SULLIVAN.

File No. 839.00/979.

AMERICAN LEGATION,
Santo Domingo, December 2, 1913—10 p. m.

Inflammatory speeches by opposition tonight precipitated conflict between Government guards and the mob, causing several deaths and many wounded; there were numerous arrests. Both sides are deaf to

reason and the time has arrived for positive action. The Government seems determined to employ the old coercive measures and is intolerant of criticism. I recommend that it be warned that the Department will shut off revenues if force should be used to carry the election.

SULLIVAN.

File No. 839.00/986.

AMERICAN LEGATION,
Santo Domingo, December 3, 1913.

Your December 2 was timely and I have notified the Government that the commissioners are coming; it accepted the notice in good part, promised its publication tomorrow and pledged itself to maintain proper conditions for a free ballot and free speech. Exclusive of the commissioners about thirty agents are needed. The people generally are accepting our good faith but fear our intentions will be defeated by duplicity.

SULLIVAN.

File No. 839.00/988.

AMERICAN LEGATION,
Santo Domingo, December 4, 1913.

Evidence was had today of real success for the Department's policy when an orderly meeting was held in the plaza with moderate speeches and no interference by the Government; police were substituted for soldiers. Arrests, however, are still being made.

SULLIVAN.

File No. 839.00/979.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, December 4, 1913.

Your December 2, 10 p. m., is partially answered by Department's December 2, but in addition you will say to the Government that wide publication and circulation of proclamations cautioning all orators and voters to moderation and avoidance of inflammatory and seditious utterances should be tried and the interest of all factions engaged by a call to register or the adoption of such other inoffensive measures as may divert and dispel tendencies to violence. While recognizing the difficulties confronting the Dominican Government, this Government believes recourse to coercive measures will raise suspicion of possible unfairness of election, which might precipitate a new revolution.

Endeavor to secure certified lists of registered voters and have them approved by the various factions or so modified as to be acceptable, pointing out to party leaders and to the President that this step constitutes the basis of all orderly elections and are in accordance with chapter III, article 12, of the election law of the Republic. Secure also a list of important polling-places and decide where scrutinizers should be stationed.

It is of course expected that the Government will place the telegraph system at the disposal of the electoral boards, commissioners

and agents and will facilitate free communication in all ways. The hearty cooperation of the Government and all contending factions in support of the electoral boards and the commissioners and agents of this Government is naturally expected by the President of the United States.

BRYAN.

File No. 839.00/989.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Santo Domingo, December 5, 1913.

There has been a full Cabinet meeting attended by the President, to which I was invited. We discussed the commission, arriving at the following conclusions:

First, that the Dominican Government wants no commission to come, because the Government believes it would create revolution.

Second, that if the commission came the Government would give it no official recognition.

Third, that the Government believes that the Minister could report as to the character of the election and that the foreigners here could furnish such evidence in regard to the election as might be needed.

The Government at first claimed that the peace pact did not bind it, but withdrew this claim later.

It then claimed that when the Puerto Plata leaders signed the pact the interest of the United States ceased. This claim they found untenable on review of the facts.

One of the admissions made by the Cabinet was that the commission can come as individuals without any official capacity, like tourists. I held firmly to our rights in the premises as an interested party, our Government having solemnly promised a fair and free election, with the consent and approval of the Dominican Government; I asserted that President Wilson's declaration of principles concerning Latin America reserved the right to enter any Latin American country to see that the people's rights were not lost by force or fraud; I pointed out that the non-interfering features of our plan could not hurt the tenderest sensibilities and that such a commission as the President of the United States proposed, seeking as they would only information and lifting neither hand nor voice in interference, would be welcomed in any country; and I said that objection to the commission would naturally raise grave doubts in all concerned as to the intention of the Dominican Government.

The people have in the meantime caught the idea of freedom of speech and fair voting. The commission is bringing the great boon of freedom, and to have it stopped on its way would bring despair to the [omission in transmission] and also to the more enlightened elements, which now believe in us.

The Dominican Government, however, questions our right even to suggest what shall be done. Behind this stand is the purpose to use coercion. It does not deny that agents have the right to be onlookers but does not wish officially to recognize them.

I most earnestly recommend firm adherence to the plan agreed upon, believing that any deviation would render worse than useless all the work we have done here.

SULLIVAN.

File No. 839.00/1001a, 1001b and 1001c.

The Secretary of State to the Representatives of the Department of State appointed to observe the Dominican elections: Hugh S. Gibson, Frederick A. Sterling and Jordan Herbert Stabler.

[Identic instruction.]

DEPARTMENT OF STATE,
Washington, December 6, 1913.

SIR: You will proceed via Key West and Habana to Santiago de Cuba where you will board the *Nashville* and proceed to Santo Domingo where you will report to the American Minister and act under his instructions.

I am [etc.]

W. J. BRYAN.

File No. 839.00/1013.

The Minister of the Dominican Republic to the Secretary of State.

[Translation.]

MEMORANDUM.

DECEMBER 6, 1913.

In accordance with your desire, I have the honor to ratify, by this communication, the declarations which I made to you verbally in our interview of yesterday.

As my Government stated to me in a cable received three hours prior to our interview, the Hon. James M. Sullivan, E. E. and M. P. of the United States in Santo Domingo, recently announced that a Commission appointed by the Government of the United States would go to the Dominican Republic to supervise elections for Magistrates and Deputies, to be held on the 15th and 16th of the current month.

As a result of this statement, which is the culmination of a series of declarations made on many occasions by the Hon. Mr. Sullivan with regard to the attitude of the North American Government affecting elections in the Dominican Republic, which declarations have been the cause of excitement and comment in the press throughout the Republic, my Government directs me to lay before the Department its desire that in the event that President Wilson, in his laudable purpose of continuing to cooperate with the Government of President Bordas in the work which the latter proposes of cementing in morality and law the peace of the Dominican Republic, has considered it necessary and expedient to send the said supervisors as stated by his worthy representative in Santo Domingo,

President Wilson will modify his opinion in this regard, in view of the promise made by President Bordas and which I today solemnly reiterate: that during his administration elections in the Dominican Republic will be carried out with entire liberty of speech and action.

In transmitting this desire of President Bordas, I urge you to consider—taking into account the fact that the President has never given any reason for doubting the sincerity of his promises and purposes, and, further, the inherent tendency of professional revolutionists to convert every circumstance into a pretext for exciting the suspicion and arousing the patriotism of the masses—whether the announced despatch of foreign commissioners to supervise officially our elections may not prove:

1st. Without cause, since the declarations concerning free elections and the attitude of the United States made by the Hon. Mr. Sullivan were not the reason for the laying down of arms by the revolutionists, since they continued fighting many days after such declarations, and the rebels, after losing many battles and much ground, surrendered, according to the confession of their leader Gen. Horacio Vásquez (attached)[1]; nor was this effected as a result of any promise that the United States would guarantee elections, but by virtue of a pact the first clause of which is as follows:

> Elections entirely free, *guaranteed by the National Government*, both for Constitutional Deputies and for President of the Republic: the Executive Power engaging to remove from office any authority not observing the strictest and most absolute neutrality in this regard.

2d. Unnecessary, since President Bordas has restored constitutional guaranties, has liberated many persons imprisoned during the late revolution, and nothing has been done thus far in violation of the said pact which can give rise to the belief that it will not be executed religiously;

3d. Useless, since elections are always celebrated publicly and may always be watched as much as is desired both by natives and strangers; therefore the pressure which might be exercised to nullify them could always be proved without the sending of a foreign official Commission;

4th. Counteractive, since the presence of strangers with the official mission of supervising our elections could be exploited by provokers of revolutions, who would endeavor to make the Dominican people believe that the Dominican Government had consented to the despoiling of our sovereignty, whereby either there would ensue the driving out of power a President—possibly the only one in our history who was elected by the free will of the representatives of parties who the day previous had been facing each other and disposed to go to war in order to effect the triumph of their respective candidates—or more likely would provoke a new loss of blood and money in a war which could only secure to the Government as its best result a sad triumph at a cost of the lives and interests of thousands of its sons.

In view of these reasons, President Bordas, who is profoundly grateful to President Wilson for the effective support which he has given the Dominican nation in the efforts of its Government to maintain a sound constitutional rule, hopes that he may continue to

[1] Not printed.

merit this support and the confidence of the people and Government of the United States, and believes firmly that as the cooperation of that Government in weakening the last revolution was carried out with certainty and speed without the despatch of American soldiers to fight the Dominican rebels, in the same way, without the sending of American Commissioners, the same results may be obtained in regard to the ends of justice, so much desired by all, in order that we may hold free elections, through a mere declaration of principles and wise counsel, which will always be eagerly sought, and with any other indication of the exalted aspirations of His Excellency, President Wilson, which may not be interpreted by anyone as an attack upon our sovereignty.

File No. 839.00/991.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Santo Domingo, December 7, 1913.

An imposing demonstration favoring the commission will be held this afternoon. Negotiations up to date have created a strong pro-American sentiment among the people and the country is for the first time enjoying a considerable measure of freedom of speech and of the press. All this is believed to be due to a better understanding of President Wilson's attitude, explained in the Mobile speech, which we had published here in full.

The Dominican Government's attempt to create hostility to the commission is therefore meeting with failure. A demonstration for this purpose was to have occurred yesterday but has been postponed until the Government can obtain mercenary attendants. The Government is misrepresenting our attitude by using the words "supervision," "intervention," "control."

In view of the misrepresentation by the Government, may I publish the open telegrams from the Department?

SULLIVAN.

File No. 839.00/992b.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, December 7, 1913.

Say to President Bordas that the President of the United States has planned to send a number of Americans to visit the principal polling-places on election day, not as a "commission" for which this Government asks any official recognition but only as individuals, to lend by their presence moral support of the efforts that President Bordas has so freely pledged himself to make to keep the election free and uninfluenced in all respects, and in order that, if any

question should arise as to the good faith of anyone concerned, undeniably impartial witnesses may be available.

The President of the United States trusts that this communication may be given full publicity in order that the intentions and attitude of this Government may not possibly be misconceived. It merely asks the privileges of friends for those who have been requested to be present.

BRYAN.

File No. 839.00/1001e.

The Secretary of State to the Minister of the Dominican Republic.

DEPARTMENT OF STATE,
Washington, December 8, 1913.

MY DEAR MR. MINISTER: I had the honor to bring before the President the communication addressed to you by President Bordas of the Dominican Republic which you transmitted to the Department with your memorandum on Saturday, and I beg to enclose herewith a copy of the telegram[1] which the President requested me to send to our Legation in Santo Domingo. I regret that the newspaper reports of the President's purpose were so misleading, and I appreciate your kindness in so promptly reporting President Bordas' views. I am sure our President's telegram will clear up the difficulty and that President Bordas will find it in harmony with his views to extend to the visiting Americans such courtesies as are possible.

I am [etc.]

W. J. BRYAN.

File No. 839.00/998.

The Minister of the Dominican Republic to the Secretary of State.

[Translation.]

DOMINICAN LEGATION,
Washington, December 8, 1913.

MR. SECRETARY: In accordance with your desire, I have the honor to ratify by this communication the declarations that I made to you verbally in our interview of yesterday.

[Here follows verbatim the memorandum of December 6, with the first paragraph omitted.]

To the foregoing statement permit me, Mr. Secretary, to add the following:

My Government does not seek to avoid public acknowledgment of its acts, much less to evade any opportunity of demonstrating its disposition to fulfill religiously its promise of holding free elections in my country; therefore the present occasion does not call for either an indication of distrust of its intention to execute its promises or an attempt to belittle the independence of the Dominican people. But I believe that the sending of commissioners from the

[1] Of December 7.

Department of State cannot secure the information desired by the Department, because of the inability of those commissioners supervising all the polling-places embraced in the sixty electoral districts; and doubtless it will serve to encourage professional revolutionists who, besides spreading the impression that this step is an evidence that the Department of State has lost confidence in President Bordas, will also make the public believe that he has consented to a fresh derogation of our sovereignty.

This point of view of President Bordas, and the attitude which he consequently feels obliged to take, do not in any degree spring from hostility toward the people and Government of the United States. His friendly disposition toward them is daily shown in the various acts of his administration and especially in the frank resolution with which he executes in all its clauses the Dominican-American Convention of 1907. But in his capacity as Chief Magistrate of the Republic he is the exponent of the sentiment of all citizens of the Dominican Republic, who, if disposed fully to carry out the terms of that convention and kindly to receive such inspirations arising therefrom as benefit their civilization and welfare, regard all increase of foreign power in their country with the same dismay as that felt by a cripple who, using one crutch, contemplates the menaced amputation of his good foot so as to require the use of two.

For these reasons, and because your Department has confirmed to me the news in today's papers that the said commissioners have sailed for Santo Domingo, I fulfill in this note the instructions given me to protest for my Government in behalf of the Dominican people against this step, as without cause, unnecessary, useless and counteractive.

I avail [etc.] FRANCISCO J. PEYNADO.

File No. 839.00/998.

The Secretary of State to the Minister of the Dominican Republic.

DEPARTMENT OF STATE,
Washington, December 9, 1913.

SIR: I have the honor to acknowledge the receipt of your note of the 8th instant in which, embodying by way of confirmation the text of your memorandum of December 6th regarding the reported announcement that a commission appointed by the Government of the United States would go to the Dominican Republic to supervise elections for magistrates and deputies, you add additional statements why your Government is constrained to protest against such a step.

At the time of the writing of your note of December 8th you could not have received my communication to you of the same day's date with its enclosed copy of a telegram which by the President's direction I had despatched to the American Minister at Santo Domingo on the preceding day.

I feel confident that the explanation made in those two papers will remove from the mind of President Bordas any misconception he may have formed from the misleading newspaper reports and

will make it clear to him that there is no foundation whatever for the protest which these erroneous reports have induced him to make.

Accept [etc.]

W. J. BRYAN.

File No. 839.00/996.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Santo Domingo, December 9, 1913.

A most happy effect upon the Government and all parties has been produced by Department's December 7, into which each political element reads a victory for itself.

In official reply to my note embodying the said instruction the Government raises no objection to the presence of American observers as outlined but is nevertheless of the opinion that their presence may displease the people. Information received by the Legation, however, indicates general satisfaction.

Referring to my December 2, 10 p. m.: Emiliano Tejera, ex-Minister for Foreign Affairs, a respected citizen, published today an open letter to President Bordas demanding a public inquiry into the shooting of many present at the demonstration of December 2, and warning the President that unless he institutes such an inquiry the writer will start impeachment proceedings against the President in the next Congress. This is only one of the many indications of how the constitutional idea, introduced as a result of President Wilson's Latin American policy, is taking hold of the people here.

SULLIVAN.

File No. 839.00/998a.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, December 10, 1913.

The observation of the elections will be under your direction, but you will be assisted by three members of the Department of State who will arrive at Santo Domingo the 13th instant on the *Nashville;* the Department desires you to know that it has great confidence in their judgment and will be glad to have you confer with them on important matters. They are sent in an unofficial capacity, therefore it will not be advisable for you to ask officially for free entry for their effects; but you may unofficially inform the Dominican Government that the granting of customs courtesies will be viewed appreciatively by the Department.

Thirty additional assistants will arrive from Porto Rico on the *Algonquin* on the 11th instant, who will assist you and the delegates from the Department in observing the elections.

BRYAN.

File No. 839.00/1002.

The American Minister to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN LEGATION,
Santo Domingo, December 13, 1913.

The agents arrived Thursday and have departed for their posts with detailed instructions. The Department's delegates arrived yesterday and will remain here.

SULLIVAN.

File No. 839.00/1003.

AMERICAN LEGATION,
Santo Domingo, December 15, 1913.

The delegates and agents were given courteous unofficial audience by the President and exchanged calls with the Secretary for Foreign Affairs. The effect of their presence has been, I think, most salutary and has doubtless prevented Government resort to the coercive measures which I know to have been arranged. The first day's polling was apparently conducted with order and decorum except for a few relatively unimportant outbreaks.

SULLIVAN.

File No. 839.00/1008.

AMERICAN LEGATION,
Santo Domingo, December 16, 1913.

Local situation complicated by Government action resulting in withdrawal of the opposition from the polls. We are working for granting by the Government of some fair remedy. Returns from other parts of the country indicate orderly elections.

SULLIVAN.

File No. 839.00/1014.

AMERICAN LEGATION,
Santo Domingo, December 17, 1913.

Save in Santo Domingo and La Vega, the elections appear to have been held in an orderly manner. But in Santo Domingo the Government arrested four opposition leaders on the charge of conspiracy, thus intimidating the voters, who retired to their homes and could not be rallied to vote when, later in the day, I secured guaranties from the President that they would not be molested. The Government's action was apparently unjustified and we therefore urged the Government to give a further opportunity for a full and free ballot, or some other remedy for the injury alleged to be done to the opposition; a full Cabinet meeting tomorrow will discuss the matter. Even as matters now stand, this is the nearest approach to an orderly and free election that has ever been enjoyed in this country.

SULLIVAN.

File No. 839.00/1014.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, December 18, 1913.

If the returns show that the arrest of prominent members of the opposition exerted a determining influence on the elections, you will urge the Government to relieve itself of any possible criticism by calling special elections in all localities affected by its action.

BRYAN.

File No. 839.00/1017.

The American Minister to the Secretary of State.

[Telegrams—Paraphrases.]

DEPARTMENT OF STATE,
Washington, December 18, 1913.

In harmony with our friendly counsel, the Government has decided to call a special session of Congress for January 4 to consider protests of opposition parties and decide on the validity of the elections in contested instances. As Congress is not controlled by the administration but has an opposition majority, that appears to us a most honorable way of meeting the highly dangerous situation.

And in view of the admirable attitude of the Government in this matter, we earnestly recommend that the Department give immediate consideration to the financial situation, which is most embarrassing, for the Government is in critical need of ready funds to pay salaries and meet other just obligations. We authorized heavy war expenditures and by our support of blockade reduced customs receipts nearly one half, and hence have a direct responsibility in the matter. Without our assistance neither this nor any succeeding government can hope to survive long. The Government today spontaneously expressed its belief in our fairness and friendship to all parties, and states that its Minister at Washington, Peynado, will be instructed fully to cooperate with the Department.

SULLIVAN.

File No. 839.00/1018.

AMERICAN LEGATION,
Santo Domingo, December 19, 1913.

The three delegates of the Department ask me to report that they have completed their labors and will sail today: Stabler for Port au Prince, Gibson and Sterling via Cuba for Washington.

SULLIVAN.

File No. 839.00/1026.

Report to the Secretary of State made by the representatives of the Department of State appointed to observe the Dominican elections.

U. S. S. *Dolphin*,
At sea, *December 20, 1913.*

Sir: At the time of the recent revolutionary disturbances in the Dominican Republic the American Minister prevailed upon the leaders of the revolution to lay down their arms and submit their grievances to settlement through the ballot. In order to secure their agreement to this method of procedure he promised them that the American Government would use its best efforts to guarantee a free and fair election. The Dominican Government on its part promised to afford to all factions the rights of free speech, free press and free ballot.

In order to carry out its promise in the matter the American Government designated the undersigned to proceed to Santo Domingo City to cooperate with the American Minister and to observe the character of the elections. At the same time 29 agents, under the direction of Captain Walter St. Elmo (Chief, Bureau of Information, Police Department of Porto Rico), were ordered to Santo Domingo from Porto Rico to be stationed in the more important centres for the purpose of observing and reporting upon the character of the elections.

The undersigned in compliance with your written instructions of the 6th instant left Washington on December 7th and proceeded to Santiago de Cuba where they boarded the U. S. S. *Nashville* and were conveyed to Santo Domingo City arriving on the evening of December 12th. Immediately upon the arrival of the *Nashville* outside the port the American Minister came on board and went over the situation with us in detail. He suggested that we go on board the *Petrel* in the harbor and give informal instructions to the Porto Rico agents in order that they might be despatched to their posts of observation without further delay. The agents had already received specific written instructions from Captain St. Elmo; the Minister and the undersigned, therefore, limited themselves to a few informal remarks, impressing upon the agents the limited character of their functions, warning them against exceeding their powers and informing them in general terms of the purposes of the American Government. Immediately upon the completion of this conference the agents were despatched in revenue cutters of the Dominican Government to their various posts of observation where they arrived before the date set for the election.

Although the Dominican Government had made strong protests against the coming of the Department's representatives and had declared that they would not be received, we were the recipients of most courteous attention throughout our entire stay. On the 13th instant we were courteously received by the Minister for Foreign Affairs, Señor Grullón, upon whom we called in company with the American Minister. On the following day we were received in audience by the President of the Republic.

The balloting began on the 15th instant and proceeded without incident throughout the day. At the close of the first day's balloting in Santo Domingo City the opposition party led by a majority of several hundred votes. The telegrams received from the agents throughout the Republic were most encouraging in character and indicated that with the exception of a few isolated and relatively unimportant instances the day had passed off in an orderly and satisfactory manner.

Early on the morning of the second day of voting the Government imprisoned six leaders of the opposition party on the charge of conspiracy to seize the fortress at Santo Domingo City and assassinate the President. As these leaders were also the chief political directors of the opposition party in the matter of rallying the voters and getting them to the polls, this action on the part of the Government had a most demoralizing effect. The voters of the opposition, without efficient direction and intimidated by the action of the Government, abandoned the idea of going to the polls and returned to their homes in various parts of the province of Santo Domingo. The American Minister, after conferring with us, brought this matter to the attention of the President, pointing out to him the deplorable effect of the Government's action. The President assured him that the arrest of these individuals had been necessary for the maintenance of peace but that he had no intention of making further arrests and that the voters of the opposition need fear no interference or intimidation in exercising their right to vote. Upon receiving these assurances Mr. Sullivan got in touch with the leaders of the opposition who were not already in prison and urged them to rally their followers and make a systematic and orderly attempt to continue the election. After some discussion they informed him that it would be impossible for them to make any showing at the polls as their followers had scattered throughout the province and there was not sufficient time remaining before the closing of the polls at six o'clock to get any considerable number of them into the city. Although there was some talk of violence, the opposition party confined itself to making formal written protests to the President against the action of the Government.

In order to remove the opposition's cause for complaint, Mr. Sullivan discussed with the Government several tentative remedies for the situation, such as continuing of the balloting for another day. This was discussed in Cabinet meeting on the evening of the 16th, and Mr. Grullón, Minister for Foreign Affairs, and Mr. Lovatón, Secretary of the Interior, called upon the Minister and the Department's representatives in order to discuss the question at length. Up to this time the Department's representatives had carefully avoided making any advances in the matter or giving any ground for complaint that they were interfering in any way. The conference with these two members of the Cabinet was entirely at their solicitation. They began by saying that although the Government had not exceeded its rights in making the arrests they recognized the regrettable effect this action had had upon the elections and were desirous of finding some remedy for the situation. They stated that the President and the Cabinet had discussed at great length the question of keeping the polls open for another day but that

they had found this to be quite impossible from a constitutional point of view and that the idea must be abandoned. They were disposed to maintain that although they regretted the impossibility of this procedure its very impossibility relieved the Government of its obligation of seeking any further remedy and that the situation must be accepted by the opposition without further discussion. In the interest of a fair election and in view of the fact that this interview had been sought by two Cabinet members, the Department's representatives felt free to use further efforts to secure an adequate remedy for the situation. We therefore pointed out to the gentlemen in very frank terms the deplorable effect of any failure on the part of the Dominican Government to exhaust every effort to afford a fair chance to the opposition to cast its votes or to present its protests for hearing and decision by some competent authority. After several hours' discussion it was agreed that the only practicable solution of the problem was the convening of a special session of Congress in the early days of January to receive the protests of the opposition and decide as to the validity or invalidity of the election. Congress is not at present controlled by the Government but by an opposition majority and it was believed that the submission of pending questions to that body would insure a fair hearing to the opposition. On the 18th instant after further conference the President issued a decree calling a special session of Congress for January 4th and at the same time issued a proclamation to the Dominican people stating that the opposition would have every opportunity to present its protests before Congress.

The reports received from other parts of the island were in the main satisfactory. It appears that both sides exercised all the usual political tricks to influence the voters and that there was a certain amount of bribery, but we were unable to find any tangible evidence in the telegraphic reports received or in conversation with the agents who arrived before our departure that the Government had exercised intimidation or coercion to prevent voting by the opposition for their own candidates.

From the latest returns received before our departure it appears that the opposition has elected 17 out of 24 delegates to the Constitutional Convention and will therefore have a majority in that body of almost three to one. This would seem to preclude practical criticism of the Government's action before or during the election.

It will be remembered that the Dominican Government was strongly opposed to the sending of agents to observe the elections and that it endeavored to stir up anti-American feeling among all classes in order to turn us from the course which had been decided upon. We are gratified to be able to report that this attempt to create hostile feeling was almost entirely unsuccessful. At only two points in the Republic was any hostility shown, one of which was controlled by the opposition party, while during our stay in Santo Domingo we received only the most courteous treatment even from the rough crowds about the streets. Before our departure the President and Cabinet made frank admission that we had shown ourselves to be true friends both to the Government and to the opposition. The opposition repeatedly expressed their gratification at our presence and at the results obtained by the exercise of our good

offices and counsel. We are firmly convinced that the Department's course in this matter has had the most happy effect: that never before in the history of the Republic has there been held an election so unhampered by coercion and that future efforts to insure fairness and freedom of elections will meet with a far more cordial reception from all classes.

While the Department's policy has in this instance met with complete success, we feel impelled to state that this is merely a preliminary step and that similar action should be taken in regard to the Presidential elections which will be held in the Spring when the Constitutional Convention shall have concluded its deliberations. While the holding of a fair and free election has had a happy effect it has not, of course, convinced the mass of the people that orderly elections are the natural and most practical course of procedure which can be depended upon with confidence. If, however, future elections can be held in an orderly manner a feeling of confidence will gradually be built up with each ensuing election and the people will, it is believed, come in time to regard the ballot as a more natural and satisfactory instrument and will look upon violence and disorder with growing distrust. This will not be accomplished in a short time but we feel confident that by persistence and patience the American Government can accomplish a great measure of good for these people and that more radical interference, humiliating to the Dominicans and distasteful to the United States, can be avoided. As regards the coming Presidential elections we venture respectfully to recommend that a definite plan be outlined well in advance for the sending of a body of trained observers to exercise much the same functions as those who have just completed their task. It is believed that the moral effect of the sending of some such body of men will be invaluable not only to the opposition but to the Dominican Government itself in any efforts it may make to maintain order and insure the fairness of its elections.

It is also our belief that it is imperative, for the stability of the present or any future Government of the Republic, that the financial situation now existing be investigated and remedied. As this situation is, however, outside of the scope of the Department's instructions to us, it will not be gone into.

Throughout our stay in Santo Domingo we had the most pleasant and cordial relations with Mr. Sullivan, the American Minister, and we desire to express in the most emphatic terms our admiration for his handling of the critical political situation. Under the most difficult circumstances he has maintained friendly relations with the Dominican officials and with the leading members of the opposition. He has shown great tact, skill and resourcefulness, and has accomplished a great deal in a practical way towards securing a fair election, prevailing upon both sides to carry out their promises and to abide by orderly processes. During a time of great excitement and partisan bitterness he succeeded in accomplishing definite results and at the same time admirably avoided giving any pretext for criticism to either side.

In conclusion we desire to express our deep sense of obligation to Captain Nulton of the U. S. S. *Nashville*, who has afforded all pos-

sible assistance to both the Minister and the Department's representatives. Captain Nulton has been in Dominican waters for some time and has met the situation with a keen sense of diplomatic values; he has formed friendship with a number of the higher officials of the island and has won their confidence. This was accomplished only at the cost of untiring effort and considerable personal expense. He has done a great deal of good through his friendship with these men and has accomplished a valuable work in convincing them of the nature of American ideals and aims in regard to such countries as Santo Domingo. We feel safe in saying that he has gone far towards changing in Government circles the atmosphere of suspicion and distrust which has so long prevailed. We respectfully suggest that the Secretary of the Navy be informed of our deep appreciation of Captain Nulton's courtesies and his able assistance in the work of our mission.

We have the honor to be, Sir,
Your obedient servants,

JORDAN HERBERT STABLER,
FREDERICK A. STERLING,
HUGH S. GIBSON.

File No. 839.00/1041.

The American Minister to the Secretary of State.

No. 40.] AMERICAN LEGATION,
Santo Domingo, December 23, 1913.

SIR: I have the honor to inform you that the elections of December fifteenth and sixteenth were held in this country, under the helpful influence of the visiting delegates from the State Department, with a degree of success that was hardly hoped for by any of the parties concerned.

Although the election was general and held in every part of the country, the old Latin-American custom of withdrawing from the polls was resorted to in but few instances. In the small town of Seybo, in Sánchez, in San Francisco de Macoris and in the capital there were withdrawals; but the rest of the election was fought out to the closing hour. In two of these instances the struggle was carried on between two factions of the opposition. Whatever might have been said as to the interference by the Government and the use of force in some instances, the action of the President in calling a special session of Congress, made up of a number of members the majority of whom are hostile to his Government, to pass upon the validity of the election in all contested instances removes the last criticism of the Government by any fair-minded person.

This special session of Congress has been called for January fourth and there is a general feeling of satisfaction here at the American attitude toward the whole situation. It will be interesting to note that the Government will not control the constitutional convention unless it succeeds in making a combination with one of the other factions.

On Friday, December 19, 1913, after a previous conference with members of the State Department who were here, I issued the following statement in the press:

In the recent revolutionary movement the American Minister, acting under instructions from his Government, prevailed upon the leaders of the revolution to lay down their arms and resort to the ballot for the settlement of their grievances. The American Government agreed to exert its best efforts to ensure to all factions a fair and free election. The Dominican Government promised a free ballot, free press and free speech.

The freest, most systematic and orderly electoral campaign ever held in this Republic was carried on, all factions availing themselves of their full rights of free press and free speech. Elections throughout the country were held in an unprecedentedly free and orderly manner. In Santo Domingo City and some other places there were regrettable incidents which caused the opposition parties to withdraw from the polls on the second day of the voting. It has so far been impossible to form a final opinion as to where the responsibility lies for these incidents but the American Minister is gratified to learn that the Dominican Government has rendered the formation of such opinion superfluous by prompt and generous action. The President has determined to call a special session of Congress for January fourth and desires that anyone with complaints as to the recent election shall present them for the consideration and decision of the Congress. This honorable and unprecedented action affords striking proof of the President's desire to deal fairly with all factions, and it is the earnest hope of the American Government that the members of the opposition will meet this action in the same patriotic spirit of frankness and moderation. A calm and dispassionate settlement of party differences through the deliberate agencies of orderly government will be an achievement of incalculable benefit to the good name and credit of this Republic and all patriots will cooperate to that laudable end.

On the other hand any failure on the part of the opposition to avail of the peaceful remedies now offered would be a most unpatriotic and shameful performance which, it is confidently hoped, will not have to be considered. It is not doubted that every patriotic Dominican will labor with his whole strength to maintain the high standard already set in these elections and complete the triumph of the people by removing through orderly means the last elements of doubt in the situation.

The American Minister declares most emphatically that any one not availing himself of these remedies need hope for no support or sympathy from the American Government.

Permit me to thank the Department for the timely relief which the Delegates from the Department brought me. I believe that I had brought the situation up to the election in fairly good order, following the lines of my instructions; but it was the influence, vigor, experience and initiative of Messrs. Stabler, Gibson and Sterling that saved the situation during the days of the election. Had they not arrived at the psychological moment all my efforts might have turned to ashes.

I enclose herewith a copy of the report of Walter M. St. Elmo, who had charge of the twenty-nine agents from Porto Rico. I have on hand also the twenty-nine individual reports of these agents, to be placed on file in the Legation.

I believe that if this country can be tided safely over the Presidential election, its march will be toward better things. All is tranquil here now and no one claims seriously that the United States has not fulfilled its promise to the last letter; and there is a feeling of optimism throughout the Island that the Dominican Republic has entered on an era of peace and prosperity.

I have [etc.]

JAMES M. SULLIVAN.

[Inclosure.]

Report to the American Minister by Walter M. St. Elmo, Chief of the Bureau of Information, Police Department, Porto Rico, in charge of the twenty-nine agents appointed to observe the Dominican elections.

[Santo Domingo.]
December 20, 1913.

Sir: In accordance with instructions received from the Governor of Porto Rico, Hon. Arthur Yager, the undersigned suggested the names of 29 employees of the Insular Government of Porto Rico, 6 Americans and 23 Porto Ricans, who reported to you on the 11th instant for the purpose of observing the elections held in this Republic on the 15th and 16th instant.

Under your direction these men were sent to different parts of the Island, as follows:

[Names of the men, and names of localities at which they were posted.]

The individual reports of the agents, which you now have or will receive, show that the elections in the places as named were held with comparative fairness, taking into consideration an extremely faulty election law and the heretofore prevailing custom on the part of the government in power of using force and coercion to insure results favorable to their interests.

Isolated cases of coercion, violence and fraud were observed, but which in no manner affected the final count of the ballots cast. Shooting occurred in La Vega, San Pedro de Macoris and San Cristóbal, and some disturbance took place in this city and in Moca. In the Capital the Government made a number of arbitrary arrests of leaders of the opposition party, which caused their followers to withdraw from the voting on the second election day, the 16th.

The general good order observed throughout the Republic during the elections was, without any doubt, brought about by the attitude assumed by yourself and the American Government in reference to these elections. The fact that the Commission appointed by the State Department arrived here prior to the elections had an assuring effect on the people; they appeared to be relieved and to feel that our Government meant business and that it intended to keep its promise made to them through yourself to guarantee a free election. The general consensus of opinion appears to be that that promise was kept and that they feel that a step toward a free exercise of suffrage has been made.

While some protests have been made in a number of towns against alleged unfairness and fraud, those protests will in no way affect the general result of the election returns. The fact that the opposition party elected a majority of their candidates appears to be sufficient proof that the Government used no great amount of undue influence, violence or coercion. This fact is all the more astonishing because of the oppressive measures heretofore employed by the governments in power on like occasions.

A most general protest is heard on every side against the present election law. It is faulty in every respect, works a great hardship upon the people and practically prevents a full and free expression of their will at the polls by making it very difficult for the majority to get to the polls to vote and by facilitating fraud through repeating. No entirely free elections can be hoped for in Santo Domingo until a census is taken and electoral lists prepared and an entirely new electoral law enacted; but those just passed were as free and orderly as could be expected under existing conditions and should be a matter of congratulation to yourself and the Government you so worthily represent for having so successfully brought them about.

The [omission] generally prevailing among the people appears to be that the recent elections were free and fairer than they expected and that the good order and absence of former coercive measures and of violence or oppression was almost wholly due to the unofficial intervention on the part of the American Government.

Some of the Horacista party now profess to believe that they were treated unfairly by the Government and that it wilfully sought by trickery and oppression to bring about the defeat of their political party. However, this sentiment is not at all general, even among members of that political faction.

While before our arrival in Santo Domingo, and during the first day or so thereafter, some comment was made in the local press and indulged in by a few irresponsible persons on the streets in protest against even non-official intervention in their affairs by us, I am indeed glad to report that no hostile

action against any of us was in any way attempted and that in the majority of cases our stay in Santo Domingo has been without a single disagreeable incident and that in most cases Government officers and others assisted us in our work and tried in every way to make our stay pleasant.

Very respectfully,

WALTER M. ST. ELMO.

File No. 839.00/1027.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Santo Domingo, December 28, 1913.

The Dominican Government today arrested Frederico Velásquez. I have seen intercepted letters that indicate his participation in a plot to overthrow the Government by force. Several have been detained, others expelled, and still others have voluntarily left the country. I have asked that the accused be tried. The country is tranquil and if the critical condition of financial affairs could be relieved there is hope of continued peace.

SULLIVAN.

FINANCIAL AFFAIRS—CONCLUSION OF A LOAN CONTRACT BETWEEN THE DOMINICAN REPUBLIC AND THE NATIONAL CITY BANK OF NEW YORK, WITH THE APPROVAL OF THE UNITED STATES.

File No. 839.51/864.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Santo Domingo, September 27, 1912.

Mr. Samuel M. Jarvis, representing the National Bank of Santo Domingo, informs me that the Dominican Government, being sorely pressed for money, has applied to the bank for a loan to be secured on all stamps and stamped paper for a period of years. The bank stipulates submittal of a statement of the Government's financial condition and approval by the Government of the United States of the loan. Unless a new order of affairs is insisted on by our Government the country will soon be utterly ruined.

RUSSELL.

File No. 839.51/911.

The Assistant Secretary of War to the Secretary of State.

WAR DEPARTMENT,
Washington, December 11, 1912.

MY DEAR MR. SECRETARY: The following cablegram was received this day from the Deputy Receiver General of Dominican Customs:

Bill introduced Dominican Congress December 9 authorizes Executive to contract loan of $1,500,000 specifically recognizing article 3 of the treaty; 7 per

cent interest; $30,000 payable monthly by General Receiver of Dominican Customs. This will probably be handled by local banks. Approval of American Government will not be requested until contract has been signed. In the meantime Santiago Michelena advances $2,500 daily to the Government.

Very sincerely,

ROBERT SHAW OLIVER.

File No. 839.51/913.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Santo Domingo, December 16, 1912.

Congress has passed the bill authorizing the Executive to make a contract for a loan as heretofore reported, and the bill has been signed by the President, who strongly advises that the approval of the Government of the United States be limited to approval of such sums as he may need from time to time, expenditures to be controlled by the Minister of Finance, the Legation and the General Receiver of Customs, and if his Government fall our approval immediately to cease as to any unexpended balance of said loan. I strongly recommend this course be approved by the Department, and as soon as possible.

RUSSELL.

File No. 839.51/913.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, December 18, 1912.

Inform the President that this Government approves in principle the making of a loan by the Dominican Government to meet its present financial needs and hereby authorizes preliminary advances on this loan to be made to the present Government by the bankers of not to exceed $300,000. Sums so furnished must be at par, interest not to exceed 7% per annum from date of advances; and, provided they be disbursed under the control and supervision of the Legation and the Receivership, this advance to form part of the total of the proposed loan. Before, however, finally approving the loan contract this Government must know more of its terms, such as the price at which the loan is to be taken. Inform Department as accurately as possible as to the amount necessary to discharge the total recent indebtedness of the Republic and in detail the purposes to which it is to be applied. This Government could not approve the advance or loan of moneys to a Government that had not been recognized by the United States.

KNOX.

File No. 839.51/914.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Santo Domingo, December 18, 1912.

The Government wishes to know whether or not this loan can be made against the Public Works bonds now on deposit in the United States if, in your opinion, interest will be saved thereby. The Government is in serious need of a part of the loan at once.

RUSSELL.

File No. 839.51/914.

The Acting Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, December 24, 1912.

The Department regrets that legal objections will prevent temporary diversion of Public Works funds to the present loan. The loan can probably be best effected with local bankers.

WILSON.

File No. 839.51/919.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Santo Domingo, December 28, 1912.

At the rate of interest required by law the local bankers do not find the loan attractive and each will include in his contract a provision that he be made Government depositary. They inquire what their position would be if the approval of our Government were withheld after the first or any subsequent advance, after they have subscribed for the whole loan.

The Royal Bank of Canada has made a proposal for the whole loan in accordance with a contract form prepared by it.

What is the position of the Department in regard to naming a depositary for convention funds?

I suggest that the loan contract should be drawn up in Washington with express stipulations as to control of disbursements and that each advance should be approved as necessary up to the full amount of the loan.

RUSSELL.

File No. 839.51/919.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, December 31, 1912.

The Department hopes to cable you soon a contract form now in preparation.

KNOX.

File No. 839.51/928.

The Chief of the Bureau of Insular Affairs of the War Department to the Secretary of State.

WAR DEPARTMENT,
Washington, January 4, 1913.

SIR: At the request of the Chief of the Latin American Division of the State Department, I have carefully gone over the attached draft of a proposal for the $1,500,000 loan of the Dominican Republic.

I believe, under all the circumstances, that the proposal is fair and reasonable, and that if no proposals are received more favorable to the Government the Dominican Government might well be authorized to close with this offer.

Very respectfully,

FRANK MCINTYRE,
Brigadier General, U. S. Army.

[Inclosure.]

CONTRACT BETWEEN THE REPUBLIC OF SANTO DOMINGO AND THE NATIONAL CITY BANK OF NEW YORK RESPECTING THE PURCHASE OF $1,500,000 PAR VALUE TREASURY NOTES.

The National City Bank of New York hereby agrees to purchase from the Republic of Santo Domingo, and the said Republic hereby agrees to sell to the said bank, one million five hundred thousand dollars par value Treasury notes dated January 1, 1913, any unredeemed balance due January 1, 1919, bearing interest at the rate of six per centum per annum payable January first and July first of each year, the said notes to be the direct obligation of the Republic of Santo Domingo and issued in coupon form of one thousand dollars denomination each, to be registered as to principal only, principal and interest to be payable at the National City Bank of New York in United States gold coin of the present standard of weight and fineness. The notes shall be numbered from 1 to 1500 consecutively and shall become redeemable and shall be payable in their sequence and in such numbers on each interest date as the amount of the amortization fund available with the bank on such interest date will permit.

To guarantee the payment of the interest on the aforesaid notes and to provide for their retirement within the time specified, the Republic of Santo Domingo, subject to the terms of the convention between the United States and the Dominican Republic, hereby pledges of its customs receipts the sum monthly, of thirty thousand dollars gold, which amount the Republic hereby authorizes the Receiver of Customs to deduct monthly, commencing January 1, 1913, from the customs receipts of the Republic, and immediately to deposit said amount with the National City Bank of New York for the service of the loan, such said monthly payments of thirty thousand dollars to be regularly continued by the Receiver of Customs until the total amount so deposited with the bank shall have fully served the requirements of this contract.

The National City Bank of New York hereby agrees to pay to the Republic of Santo Domingo ninety-six and one-half and accrued interest for not exceeding one million five hundred thousand dollars par value of the above described notes, five hundred thousand dollars of the purchase money to be available to the Republic immediately upon the execution of this contract, and the remainder to be payable to the Republic as required, upon three days' notice to the bank, the payments to be made in New York funds.

Any and all remittances on account of this loan, of coin, bullion or currency, or through the medium of exchange, made by the bank to Santo Domingo or elsewhere, as may be ordered, shall be made at the expense of the Republic, the bank agreeing to charge only the actual cost.

The bank hereby agrees to allow the Republic interest at the rate of two per centum per annum on the balance of its account, such interest to be credited semiannually.

The notes shall be executed in English, and if desired in Spanish, but the English wording shall govern and be acceptable to the bank.

The notes shall bear the facsimile signatures of those authorized to sign on behalf of the Republic and shall be certified to by the National City Bank of New York. All notes as redeemed shall be cancelled by the bank and surrendered to the Dominican Republic.

File No. 839.51/927a.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, January 7, 1913.

A representative of the National City Bank of New York, Mr. R. L. Farnham, has presented to the Department the following draft contract which he desired the Department to cable to you for Michelena, who will receive instructions to lay it before the Dominican Government.

[Here follows the text of the draft contract, in the same words as those of the inclosure to the next preceding communication.]

You will make it clear to the Dominican Government, in case Michelena presents the contract, that the Department does not indicate, by transmitting it, that it should be given preference over any more favorable offer, but has sent it merely as an accommodation to the bankers.

KNOX.

File No. 839.51/937.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Santo Domingo, January 22, 1913.

The National City Bank's loan proposition has been accepted by the Dominican Government on exactly the terms given in your telegram of the 7th instant, except 97½ instead of 96½.

RUSSELL.

File No. 839.51/937.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, January 30, 1913.

Jarvis represents to the Insular Bureau that the National City Bank contract would pay in excess of 7 per cent, according to his calculations, and is therefore illegal, under the specific congressional authorization. The matter will be studied and settled with all possible promptness.

KNOX.

File No. 839.51/950.

The Chairman of the National Bank of Santo Domingo to the Secretary of State.

[Telegram.]

NEW YORK, *February 7, 1913.*

As Chairman of the National Bank of Santo Domingo, a financial institution established by myself and associates as the direct result of your announced policy of encouragement of commerce of and for the United States, I beg to call your attention to our bid, made in good faith at the proper time. No other bidder appearing in the field, I am now prepared to say that the Bank will redeem notes every three months if this seems desirable to the Government. I have the most implicit faith in you personally and have had from all the officers of the Department only courteous and honorable treatment in all dealings with your Department.

SAMUEL M. JARVIS.

File No. 839.51/950.

The Secretary of State to the Chairman of the National Bank of Santo Domingo.

[Telegram.]

DEPARTMENT OF STATE,
Washington, February 12, 1913.

Referring to your telegram of February 7 and previous correspondence in regard to the making of a loan of $1,500,000 to the Dominican Government, I desire to advise you that from the information before this Department it appears that in the competition to obtain this loan proposals were submitted to the Dominican Government by two rival American-owned concerns—the National Bank of Santo Domingo and the National City Bank of New York City—and that the Dominican Government has decided to accept the proposal of the National City Bank of New York. Both proposals appear to be within the requirements as they are known to this Department, and from a calculation made by the officers of the Insular Bureau of the War Department it appears that the proposal of the National City Bank of New York is somewhat more favorable to the Dominican Government. In view of all the facts and circumstances as known to the Department there appears to be no ground that would call for or justify the Department in any interference in the matter of the awarding of this contract.

KNOX.

File No. 839.51/950.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 12, 1913.

The Department must know the exact text of the loan agreement and the coupon note or bond before finally agreeing to the contract-

ing of the loan. If the contract is the one already communicated through the Department, cable any differences that may exist in the text as signed from the text as cabled to you; if it is some other form of contract, cable full text; also cable text of coupon note or bond.

KNOX.

File No. 839.51/954.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION.
Santo Domingo, February 13, 1913.

The National City Bank loan agreement now awaiting conclusion is exactly the same as cabled to me in your January 7 excepting the proper changes in the preamble and the rate, which was named in the cable as received here as 100½ instead of 97½.

Additional clauses are as follows:

8. All advances and disbursements made to the Dominican Republic under this loan shall be made by means of checks or orders countersigned as a proper expenditure by the American Minister or the Secretary of Legation of the United States and Mr. J. H. Edwards, Deputy General Receiver of Dominican Customs, or such other person as the General Receiver of Dominican Customs may designate.

9. For the purposes and operation of this loan any advice or communication from the National City Bank of New York shall be considered valid if made in writing addressed to the (translation) Secretaryship of State for Finance and Commerce of the Dominican Republic (end of translation), Santo Domingo City, and delivered at the office of the Secretary of Finance and Commerce through the American Legation or the Consulate General of the United States of America in Santo Domingo City, or in any other way.

Any advice or communication from the Dominican Republic shall likewise be considered valid if made in writing, addressed to the National City Bank of New York, No. 55 Wall Street, New York City, and delivered at its office through the Dominican Consulate General in New York City, or in any other way.

10. All accounts pertaining to the operation of this contract shall be kept by the National City Bank of New York in United States currency, and said bank shall submit to the Dominican Republic statements of said accounts covering the periods ending June 30 and December 31 of each year.

The accounts herein referred to may be transmitted to the Dominican Republic through any of the channels indicated in paragraph 9, and shall stand as approved and accepted by the Dominican Republic if within ninety days after rendition of such accounts no objection thereto or criticism thereof is made through any of the channels mentioned in said paragraph 9.

11. This contract shall be approved and endorsed by the Envoy Extraordinary and Minister Plenipotentiary of the United States of America to the Dominican Republic, on behalf of his Government.

12. This contract shall be executed in both the English and Spanish languages, but the English text shall govern.

The National City Bank's representative here states that the coupon notes are not ready; they will bear the facsimile signature of the Dominican Minister of Finance and the actual signature of Ramón Lovatón, Dominican Senator, who will sign them in New York, where they are being prepared.

RUSSELL.

File No. 839.51/957.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION.
Santo Domingo, February 18, 1913.

The Government is in desperate straits unless some kind of loan is immediately consummated. The President has been compelled to pay out large sums for the expenses of the late war; these were proper expenses and the sums used to pay them were advanced by Michelena, to be charged to the loan. But owing to the uncertainty about the conclusion of the loan, Michelena absolutely refuses to advance another dollar.

RUSSELL.

File No. 839.51/957.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 19, 1913.

The Department assumes that advance has already been made of $300,000 under the terms indicated in Department's December 18. If the Dominican Government anticipates the need of an additional advance before the conclusion of the loan, the Department hereby consents thereto, if not in excess of $200,000 and if under the terms recited in Department's December 18, to be refunded out of the proceeds of the permanent loan.

In regard to the protest of the National Bank of Santo Domingo, you are informed that the Department has concluded its study of the matter and has no observations to offer to the Dominican Government. Jarvis has been informed that both proposals seem to be within the legal requirements, and that the initial adoption of a loan contract to be submitted for this Government's consent, and acceptance of the proposal most advantageous to the Dominican Government, are matters for that Government's determination, and the Department does not feel called upon to interfere as between rival American bidders.

The Department is uncertain whether or not your February 13 means that the National City Bank proposal has been finally and irrevocably accepted. If it has been so accepted and when the Department has been so advised, it will promptly inform you of a minor change respecting procedure which it has to suggest as preliminary to its consent. Meantime cable text of preamble.

KNOX.

File No. 839.51/961.

The American Minister to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN LEGATION,
Santo Domingo, February 21, 1913.

The Dominican Government has ratified to me its final and irrevocable acceptance of the proposal of the National City Bank of New

York, after having duly considered the protest of the National Bank of Santo Domingo. The following is the text of the preamble of the contract:

Whereas the National Congress of the Dominican Republic has authorized, by a law approved by the President on December 14, 1912, the negotiation of a loan not to exceed $1,500,000 gold, at a rate of interest not to exceed 7 per centum per annum; and, considering that of the proposals submitted by various bankers for this loan the Dominican Government has accepted the proposal of the National City Bank of New York, an incorporated company with its principal domicile in the City of New York, United States of America, at No. 55 Wall Street—

The Dominican Republic, represented in this contract by its Secretary of State for Finance and Commerce, party of the first part, and the National City Bank of New York, represented, by virtue of a special authorization transmitted by cable on January 23, 1913, by Mr. Santiago Michelena, banking concern, domiciled in the City of Santo Domingo, Dominican Republic, party of the second part, hereby agree and contract as follows:

RUSSELL.

File No. 839.51/960.

AMERICAN LEGATION,
Santo Domingo, February 23, 1913.

The contract was signed yesterday and awaits my endorsement. Will the change mentioned in your February 19 necessitate a new contract, or can I, subject to changes you make, endorse the present contract?

RUSSELL.

File No. 839.51/962.

AMERICAN LEGATION,
Santo Domingo, February 24, 1913.

I am requested to inform you that the Dominican Government has definitively accepted the proposal of the National City Bank, after seriously considering all the objections raised by the National Bank of Santo Domingo. Your instructions have been strictly complied with and I have declared on all occasions that my Government leaves the Dominican Government absolutely free to choose between the two propositions.

RUSSELL.

File No. 839.51/962.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 26, 1913.

In regard to your February 23, the Department feels that the provision for the endorsement by the American Minister should be stricken out of the loan contract.

As to your February 21 and February 24, with the modification made as stated in the foregoing paragraph, this Government, in pursuance of the terms of the convention between the two Governments of February 8, 1907, stands ready to agree with the Government of the

Dominican Republic that that Government contract a loan for $1,500,000 in accordance with the terms of the contract with the National City Bank of New York. In order to evidence this agreement on the part of the two Governments, it is proposed that formal notes be exchanged between the Foreign Office and the Legation.

Therefore when the Minister for Foreign Affairs shall have addressed to you a note enclosing a copy of the proposed contract, modified as above indicated but otherwise as laid before the Department, and shall have officially asked that this Government agree to the proposed increase of the Dominican public debt as provided in the said convention, and shall have informed you that the Dominican Government agrees that the proceeds of the loan shall be disbursed subject to such supervision as this Government may indicate, you will acknowledge receipt and say:

The Government of the United States, pursuant to the terms of the Convention between the United States and the Dominican Republic of February 8, 1907, hereby agrees with the Government of the Dominican Republic that the Government of the Dominican Republic may increase its public debt to the amount of one million five hundred thousand dollars in accordance with the terms of the proposed contract with the National City Bank of New York, a copy of which has been transmitted to this Legation; provided, however, that all advances or disbursements of the proceeds of this loan shall be made only by check or order of the Minister of Finance of the Dominican Republic specifically reciting the proposed application of the disbursement, such check or order to be countersigned as providing for a proper expenditure by the Minister or Secretary of the Legation of the United States in the Dominican Republic, and by a person designated for this purpose by the Receiver General of Dominican Customs.

You will withhold exchange of notes until a slight modification in the coupon note desired by the National City Bank shall have been cabled to you, today or tomorrow, for your information.

KNOX.

File No. 839.51/963.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 27, 1913.

The Department is informed that the National City Bank is proposing the following modifications in the text of the loan note and has submitted them to the Dominican Government:

In paragraph 1 after the words "and to pay interest thereon" the paragraph as amended should read "from the date hereof until the principal of this note is paid at the rate of six per centum per annum semiannually on the first days of July and January in each year. Until the maturity of this note such interest shall be paid only upon the presentation and surrender of the annexed interest coupons as they severally become payable."

In paragraph 3 after the words "from 1 to 1500, both inclusive," the paragraph as amended should read "issued in conformity to the Convention between the United States of America and the Dominican Republic ratified July 8, 1907, the payment of the principal

and interest of which notes is secured by the pledge by the Republic of its customs revenues subject to an existing charge thereon securing the $20,000,000 Five per cent Customs Administration Sinking Fund Gold Loan of the Republic under and pursuant to the terms of the said convention between the United States of America and the Dominican Republic." And so on.

You may proceed with the exchange of the diplomatic notes as instructed, when these modifications have been agreed upon by the Republic and the Bank.

KNOX.

File No. 839.51/967.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION.
Santo Domingo, March 6, 1913.

The Minister exchanged notes with the Minister for Foreign Affairs on March 1 and has taken an original of the loan contract to you. Claims are being presented for payment, as the matter is considered to be settled.

CURTIS.

File No. 839.51/967.

The Secretary of State to the Secretary of War.

DEPARTMENT OF STATE,
Washington, March 10, 1913.

SIR: I have the honor to inform you that on March 1, 1913, the Minister for Foreign Affairs for the Dominican Republic addressed a note to the American Minister at Santo Domingo City, enclosing a copy of a contract made with the National City Bank of New York providing for a loan to the Dominican Republic of $1,500,000, and officially asked that the Government of the United States agree to the proposed increase of the Dominican public debt as provided in the Convention of February 8, 1907, between the two Governments, and the Minister for Foreign Affairs informed the American Minister that the Dominican Government agreed that the proceeds of the loan should be disbursed subject to such supervision as the Government of the United States might indicate.

The American Minister in acknowledging this note informed the Minister for Foreign Affairs, pursuant to the instructions of this Department, that:

The Government of the United States, pursuant to the terms of the Convention between the United States and the Dominican Republic of February 8, 1907, hereby agrees with the Government of the Dominican Republic that the Government of the Dominican Republic may increase its public debt to the amount of one million five hundred thousand dollars in accordance with the terms of the proposed contract with the National City Bank of New York, a copy of which has been transmitted to this Legation; provided, however, that all advances or disbursements of the proceeds of this loan shall be made only by check or order of the Minister of Finance of the Dominican Republic specifically reciting the proposed application of the disbursement, such check or order

to be countersigned as providing for a proper expenditure by the Minister or Secretary of the Legation of the United States in the Dominican Republic, and by a person designated for this purpose by the Receiver General of Dominican Customs.

In view of the above, I have the honor to request that the appropriate telegraphic instructions be issued to the Receiver General of Dominican Customs.

The Department is now informed that the American Minister is bringing to the United States with him true copies of the correspondence exchanged between the Dominican Foreign Office and the American Legation, as well as a true copy of the loan contract as signed. So soon as these documents are received by the Department copies will be transmitted to you for your files. Meanwhile I have the honor to enclose herewith a copy of the contract and of the coupon note [1] as they appear to be from information before this Department.

I have [etc.]

W. J. Bryan.

ARBITRATION OF THE BOUNDARY DISPUTE BETWEEN THE DOMINICAN REPUBLIC AND HAITI. GOOD OFFICES OF THE UNITED STATES.[2]

File No. 738.3915/188.

The Minister of the Dominican Republic to the Secretary of State.

[Translation.]

Dominican Legation,
Washington, January 31, 1913.

Mr. Secretary: I have the honor to send you herewith a copy of the note [2] I wrote today to his excellency Sr. Solon Ménos, Envoy Extraordinary and Minister Plenipotentiary of the Republic of Haiti, and of the new draft protocol [1] that I have submitted to his attention.

On the assumption that the Haitian Government will cooperate with the Dominican Government in expediting the proceedings necessary to a prompt arbitral decision, the said draft protocol contains a proposition contractually to accept the provisional [boundary] line between the Dominican and Haitian Republics adopted by the Government of the United States of America on September 24 last [3] pending a decision of the Arbitral Tribunal as to what the final boundary line is to be. I am complying with my instructions in saying to you that this conditional acquiescence—which is given because the Dominican Government is convinced of the absolute necessity of adopting a frontier if cordiality is to be maintained in the relations of the neighboring peoples, and is satisfied that nothing but a profound desire for peace prompted the Government of the United States to adopt the said line—does not imply a renunciation of the territories in dispute on the part of the Dominican Republic, nor an acknowledgment that it did not possess in January 1911 the

[1] Not printed.
[2] Continued from For. Rel. 1912, pp. 380–387.
[3] For. Rel. 1912, p. 368.

parts of its territory indicated in my note hereinbefore referred to, of which it is or seems to be dispossessed by the said provisional line adopted by the United States.

I avail [etc.]

FRAN'CO J. PEYNADO.

File No. 738.3915/189.

The Assistant Secretary of War to the Secretary of State.

WAR DEPARTMENT,
Washington, February 10, 1913.

In reply to your letter of the 28th ultimo[1]: there are no documentary data on file in the War Department relative to this boundary line; however, it is the opinion of this Department that the thalweg of the Artibonito, Libon, Capotillo and Massacre rivers is indicated by the line shown as the boundary on the map of Haiti and Santo Domingo referred to in your communication. It is the line indicated on the map of Santo Domingo by General Casimiro N. de Moya, a member of the Dominican-Haitian Boundary Commission of 1901, and was the latest obtainable information when the War Department map of Haiti and Santo Domingo was compiled.

ROBERT SHAW OLIVER.

File No. 738.3915/188.

The Secretary of State to the Minister of the Dominican Republic.

DEPARTMENT OF STATE,
Washington, February 11, 1913.

SIR: I have the honor to acknowledge the receipt of your note of the 31st ultimo enclosing a copy of a note [etc.]

In reply I have the honor to inform you that your note and its enclosure will receive the Department's consideration.

Accept [etc.]

P. C. KNOX.

File No. 738.3915/189.

DEPARTMENT OF STATE,
Washington, February 27, 1913.

MY DEAR MR. MINISTER: Referring to your call at this Department in connection with the Haitian-Dominican boundary question and to your conversation with officers of the Department of [on] this subject, I have much pleasure in informing you that the Secretary of War, in reply[1] to a request[1] for an expression of opinion, states that it is the opinion of his Department that "the thalweg of the Pedernales or Anse river is indicated by the line representing the boundary between Haiti and Santo Domingo. The representation of the boundary on the eastern bank of the river, as shown on the map of Haiti and Santo Domingo mentioned in your communication, was due to the impracticability of superimposing the convention for the boundary line on the

[1] Not printed.

single line representing the narrow bed of the river." The map in question is the "map of Haiti and Santo Domingo prepared by the Second Military Information Division, General Staff, Washington, 1907, and 1908," Monte Cristi sheet number 6 and Barahona sheet number 7.

This Department has also invited an expression of opinion from the War Department as to whether, as in the case of the Pedernales river, the thalweg or one of the banks of the rivers Artibonito, Libon, Capotillo and Massacre is indicated by the line shown as the boundary on the before-mentioned map, [and] has in reply[1] been informed by the Secretary of War that it is the opinion of his Department that "the thalweg of the Artibonito, Libon, Capotillo and Massacre rivers is indicated by the line shown as the boundary on the map of Haiti and Santo Domingo referred to in your communication."

I am [etc.]

P. C. KNOX.

File No. 738.3915/193.

The Minister of Haiti to the Chief of the Latin American Division of the Department of State.

[Translation.]

No. 513.] HAITIAN LEGATION,
Washington, March 28, 1913.

MY DEAR MR. DOYLE: I have the honor to send you herewith a copy of a draft protocol[2] that I addressed on the 26th instant to the Dominican Plenipotentiary, which embodies a recasting of the draft of which I informed you, as well as Mr. Francisco J. Peynado, on June 22, 1912.[3]

I avail [etc.]

SÓLON MÉNOS.

NOTE.—Receipt of the foregoing communication was acknowledged by the Department of State on March 29, 1913.

File No. 738.3915/195.

The Chargé d'Affaires of the Dominican Republic to the Secretary of State.

[Translation.]

DOMINICAN LEGATION,
Washington, July 1, 1913.

MR. SECRETARY: I have the honor of sending you herewith ten copies of a map of the Dominican Republic recently published by order of my Government, showing the line adopted by the Government of the

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[1] See ante. [2] Not printed. [3] For. Rel. 1912, p. 385.

United States on September 24, 1912, as the provisional frontier between the Dominican Republic and Haiti pending final arbitral determination of the dividing line.

I avail [etc.]

I. A. CERNUDA.

NOTE.—Receipt of the foregoing communication was acknowledged by the Department of State, with thanks, on July 11, 1913.

THE AMERICAN MINISTER AS AN ARBITRATOR OF A FRENCH CLAIM.

File No. 123.R911/79.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Santo Domingo, February 11, 1913.

A French citizen, arbitrarily expelled from Puerto Plata during the Victoria administration, has filed a claim for damages. The Dominican Government admits the right to damages but thinks the amount claimed exorbitant. The matter is to be submitted to arbitration and the Government requests me to act with the French Minister, we two to select a third arbitrator. I request instruction.

RUSSELL.

File No. 123.R911/79.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 14, 1913.

If you feel disposed to act as arbitrator without compensation, you are authorized to do so.

KNOX.

ECUADOR.

RECOGNITION OF PRESIDENT PLAZA BY THE UNITED STATES.

File No. 822.001 P69/3.]

The President to the Constitutional President of Ecuador.

THE WHITE HOUSE,
Washington, January 10, 1913.

GREAT AND GOOD FRIEND: I have received your letter of the 20th of September last[1], in which Your Excellency announced your assumption, on the 30th[2] of August last, of the Presidency of the Republic of Ecuador.

I cordially reciprocate the sentiments you express for the continuance of the friendly relations which have heretofore existed between the United States and Ecuador, and I assure Your Excellency of my best wishes for your personal welfare and for the prosperity of the Republic over which you have been called upon to preside.

Your Good Friend,

WM. H. TAFT.

MESSAGE OF THE PRESIDENT, GENERAL LEÓNIDAS PLAZA GUTIÉRREZ, TO THE CONGRESS.

File No. 822.032/11.

The American Minister to the Secretary of State.

No. 19.] AMERICAN LEGATION,
Quito, August 13, 1913.

SIR: I have the honor to transmit herewith copies of the Message of the President of the Republic to Congress which was read at the first session on August 10th. The message chiefly draws attention to the reforms begun by General Plaza in the general administration of the country.

I have [etc.] MONTGOMERY SCHUYLER.

[Inclosure—Translation—Extract.[3]]

The Government through the Secretary of State has whenever necessary called to the attention of the [Guayaquil & Quito] Railroad Company the deficiencies and irregularities noticed in its service and has required the discontinuance of illegal conditions authorized or tolerated by preceding administrations. The Company has either acquiesced or failed to respond or alleged rights that the Government, by itself, could not ignore. I believe that the present diffi-

[1] See For. Rel. 1912, p. 411.
[2] The 31st.
[3] This passage is the only one making reference to the United States, excepting a reference to the acceptance of the American Minister.

culties will continue until they are taken up by the arbitrators contemplated by article 27 of the contract of June 14, 1897, who are to be appointed by the Presidents of Ecuador and the United States of North America.

During the present year we were at one time at the point of organizing the arbitral tribunal, for there appeared in this city Mr. Henry Janes, the arbitrator appointed by the then American President, Mr. Taft.[1] As we, on our part, had appointed Doctor Alfredo Baquerizo Moreno,[2] the tribunal seemed about to be organized.

It was not so, however. Difficulties arose regarding the constitution of the tribunal and while the discussion of this delicate matter was going on, Mr. Janes suspended his participation and returned to his country. We are, therefore, where we were before; but we hope that the new President of the United States, Mr. Woodrow Wilson, who has so outspokenly proclaimed his intense Pan-American spirit, will soon appoint some one to replace Mr. Janes on the tribunal.

REVOLUTION AT ESMERALDAS; ATTITUDE OF THE UNITED STATES.

File No. 822.00/325.

The American Minister to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN LEGATION,
Quito, December 15, 1913—1 p. m.

Revolutionists at Emeraldas last Friday attacked several launches under Red Cross which contained wounded; Government authorities are taking refuge aboard the *Cotopaxi;* Emeraldas will be surrendered to the revolutionists; possibility of bombardment and closure of the port. The U. S. transport ship *Buffalo* is now at Corinto, and I am requested by manager of Central & South American Telegraph Co. to secure an order for the *Buffalo* to proceed to Esmeraldas, in which request I join.

HARTMAN.

File No. 822.00/324.

AMERICAN LEGATION,
Quito, December 15, 1913—5 p. m.

Since my telegram of 1 o'clock the Minister for Foreign Affairs has confirmed all the statements therein except the possibility of bombardment and actual surrender of Esmeraldas. He admits the defeat of the Government forces, of whom [omission] were killed and 130 captured.

HARTMAN.

File No. 822.00/326.

AMERICAN LEGATION,
Quito, December 16, 1913.

Bombardment of Esmeraldas is threatened. Presence of the *Buffalo* would prevent unnecessary destruction of life and property. I again recommend that it proceed to that port.

HARTMAN.

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[1] For. Rel. 1912, p. 421. [2] Id. 422.

File No. 822.00/326.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, December 18, 1913.

Call the Government's attention to the President's statement of policy, communicated in Department's March 6 [12][1] and ascertain if there is anything we can do to discourage the revolutionists and support the constitutional Government. Ascertain the reasons given by the revolutionists for their attack. In Santo Domingo our Minister recently secured a cessation of hostilities on condition that desired reforms would be effected peacefully, and yesterday a special election was held there. We shall be pleased to resort to whatever means the United States can properly employ to cause the revolutionists to follow constitutional methods of obtaining redress.

BRYAN.

File No. 822.00/330.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Quito, December 24, 1913.

I have presented to the Minister for Foreign Affairs the subject of your telegram of December 18. He appreciates our motives but feels that the situation does not warrant any negotiations with the revolutionists, basing his opinion (1) on the killing of physicians and nurses of the Red Cross by revolutionists in so brutal a way that his Government cannot treat with them with self-respect; and (2) on the Government's confidence in soon overcoming the revolutionists. There are two causes for the revolution: (1) the assumption that President Plaza was responsible for the killing of President Alfaro in 1912, and the intention of the revolutionists that the death of President Plaza shall follow; (2) the desire of the revolutionists to get their hands into the public treasury. These causes are probably not susceptible of compromise.

HARTMAN.

CLAIMS OF THE GUAYAQUIL & QUITO RAILWAY COMPANY AGAINST ECUADOR; ARBITRATION PROCEEDINGS.[2]

File No. 422.11G93/555b.

The Acting Secretary of State to Henry L. Janes, American Arbitrator.

DEPARTMENT OF STATE,
Washington, December 14, 1912.

SIR: In accordance with your personal request, I enclose herewith for your information a copy and paraphrase of telegraphic instruc-

[1] See p. 7.

[2] Continued from For. Rel. 1912, pp. 412–422.

tions transmitted to the American Legation at Quito in connection with the arbitration of the claims of the Guayaquil and Quito Railroad and of the Government of Ecuador, and your designation as arbitrator under the terms of the contract.[1]

I am [etc.]

HUNTINGTON WILSON.

File No. 422.11G93/553.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Quito, December 14, 1912.

The Legation of Ecuador at Washington has been instructed to request the delay of the departure of Mr. Janes until a note on the scope of the proposed arbitration, now in the possession of this Legation, can reach the Department by mail. I send this telegram at the request of the Minister for Foreign Affairs. While appreciating the undesirability of delay, yet, as further proof of the willingness of the United States carefully to consider all arguments advanced by Ecuador, I believe that acquiescence in the Minister's request will have a good effect.

BINGHAM.

File No. 422.11G93/553.

The Secretary of State to the American Chargé d'Affaires.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, December 16, 1912.

Your telegram of the 14th instant. Explain to the Government that Janes has already been appointed arbitrator and that it is now too late to defer his departure. Transmit to Janes at Panama a duplicate of the note of the Foreign Office. Such instructions as may be necessary will be sent upon the receipt of the note here.

KNOX.

File No. 422.11G93/563.

The American Chargé d'Affaires to the Secretary of State.

No. 170.] AMERICAN LEGATION,
Quito, December 16, 1912.

SIR: I have the honor, with reference to telegram from this Legation dated December 14, to report that the Minister for Foreign Affairs requested an interview with me on the afternoon of December 14th for the purpose of discussing matters connected with the proposed arbitration.

[1] Printed in For. Rel. 1912, p. 421.

The Minister desired to take up the contents of my note No. 122,[1] enclosure in despatch to the Department No. 163[1], dated November 13, 1912, which embodied the Department's instruction dated November 9.[2]

The Minister stated that the Arbitral Tribunal of 1907–1908 had never rendered a decision. That the controversy at that time was settled by the contract of September 30, 1908, which was reached by direct agreement between the Government of Ecuador and the Railroad Company. This agreement was approved, with slight modifications, by the Ecuadorean Congress, November 6, 1908.

The point which the Minister for Foreign Affairs wished to make was the following: Has the Railroad Company carried out its part of the contract of September 30, 1908, or has it failed in some of its obligations?

The Minister stated that the Government of Ecuador was very desirous of having this question passed upon by the Arbitral Tribunal. If the Arbitral Tribunal decides that both the Government of Ecuador and the Railroad Company have complied with the stipulations of the contract of September 30, 1908, the other questions to be decided will be those of a date later than September 30, 1908; but if on the other hand either the Ecuadorean Government or the Railroad Company has failed to carry out the obligations imposed upon them by the above-mentioned contract, it is evident (according to the Minister) that these points can not be considered as being res judicata, and should be presented to the proposed Arbitral Tribunal for decision.

Therefore the Minister for Foreign Affairs informed me (Legation's telegram of December 14) that he had instructed the Ecuadorean Legation in Washington to request that the departure of Mr. Janes be delayed until receipt by mail of the note, copy and translation of which is enclosed herewith, by the Department, in order that Mr. Janes' instructions might be amplified, so that the Tribunal could pass upon the question of the fulfillment by the Railroad Company of its obligations under the contract of September 30, 1908.

It is not felt that the Minister for Foreign Affairs of Ecuador has made the main point of his argument sufficiently clear in the note enclosed herewith. As the contents of this despatch was reached by the writer as the result of a long personal conversation with Mr. Dillon, it is hoped that it may serve to throw some light on the real feelings of the Government of Ecuador with regard to the proposed arbitration.

I have [etc.]

RUTHERFURD BINGHAM.

[Inclosure—Translation.]

No. 118.] MINISTRY OF FOREIGN RELATIONS,
Quito, December 12, 1912.

SIR: I have the honor to reply to your note No. 122 dated the 11th of last November, in which you state "that the Government of the United States cannot now regard as open for discussion matters involving the existence and validity of the fundamental contractual agreements between the Government of Ecuador

[1] Not printed. [2] For. Rel. 1912, p. 421.

and the Railway Company"; matters which, as you state, "were under discussion in a former controversy and were passed upon by the Arbitral Tribunal of 1907–1908, in an act having the status and value of an arbitral award, which has since not only been fully recognized but until the present time unquestioned by the Ecuadorean Government." Finally you add in the above-mentioned note that: "The status as to the fundamental agreements being thus, and the matters of present dispute between the Ecuadorean Government and the Company, as heretofore considered by the two Governments, having solely to do with the transactions between the Government of Ecuador and the Railway since September 30, 1908, the Government of Ecuador will perceive that the present proposed arbitration can have relation only to such latter matters and that in the discussion and decision thereof the status referred to must be accepted as a fundamental basis upon which to ground the determination of the questions involved."

With reference to what I have quoted, I shall begin by stating certain ideas which I consider of the greatest importance:

Regarding the arbitration, it is the President of the United States, individually, and not the Government of that Republic who possesses the character of Arbitrator, by reason of the contract entered into with the Railroad Company. Therefore I believe that the intervention of the North American Government in the matters treated of in this note can not be accepted.

Therefore I can do no less than deplore that your judgment in this matter differs materially from the opinion of the Ecuadorean Government and that this discrepancy may result in the postponement of the settlement, which the Chief of the State greatly desires to conclude in the shortest possible time.

In fact, theoretically as well as practically, the constitution of an Arbitral Tribunal whose members had not received ample and equal full powers for the discharge of their functions, would be unacceptable.

The reasons which in your opinion have determined the President of the United States to restrict the powers of his representative are based upon this false idea: that the difference between the Government of Ecuador and the Railroad Company previous to September 30, 1908, "were discussed and passed upon" by the Arbitral Tribunal of 1907–1908, it being the case that the said Tribunal, although it was properly constituted, did not pronounce any award, as appears from the evidence. These differences were arranged, it is true, but not by the Arbitral Tribunal above mentioned; they were arranged by the mutual agreement of September 30, 1908, approved with modifications by the Legislative Decree of November 6 of the same year; an adjustment which does not have the legal status peculiar to an arbitral award. The agreement is a contract, and bilateral contracts have the characteristic that they are null and void in case one of the contracting parties does not carry out his part of the agreement. It is not thus with arbitral awards, which have the character of finality or definitiveness independent of the accomplishment or non-accomplishment of the undertakings therein contained. In consequence, the only arrangement that exists between the Government of Ecuador and the Railroad Company, that is to say, the transaction of 1908, does not have the decisive character with which you desire to endow it in the note to which I am now replying.

On the other hand, the discussion as to what shall constitute the matters which the projected Arbitral Tribunal shall decide I consider irrelevant because the Tribunal is the only authority empowered to determine them, without further limitations than those established by the mutual obligations of the parties, obligations which in this case are no other than the contract of June 14, 1897, between the Government of Ecuador and the Railroad Company. The powers of the Arbitrators should have the scope that is indicated by Article 27 of the above-mentioned contract. It is not the attribute of one only of the Arbitrators to determine in advance the matters that shall fall under the jurisdiction of all the Tribunal, because, in the exercise of its functions, not even the Tribunal itself can amplify or restrict the limits of the pact that gives it life.

On account of what I have above set forth, I should appreciate it if you would suggest to His Excellency the President of the United States of North America the expediency of not limiting the juridical powers of his Delegate, in order that he may exercise them without restriction, whatever may be the claims of the Government of Ecuador or its disagreements with the Railroad Company, provided that these disagreements are those contemplated by article 27 of the contract of June 14, 1897. My Government considers it an indispensable condition for the perfect working of the Arbitral Tribunal that no one of its members

have restricted powers, differing from the ample powers with which both Representatives should be invested, as the Representative of the Republic will in fact be invested.

I avail [etc.]

LUIS N. DILLON.

File No. 422.11 G 93/573.

The American Chargé d'Affaires to the Secretary of State.

No. 175.] AMERICAN LEGATION,
Quito, January 16, 1913.

SIR: I have the honor to report that Mr. Henry L. Janes, American Arbitrator for the settlement of claims between the Government of Ecuador and the Guayaquil and Quito Railroad Company, arrived in Quito January 11, 1913.

I have [etc.]

RUTHERFURD BINGHAM.

File No. 422.11G93/563.

The Secretary of State to the American Chargé d'Affaires.

No. 62.] DEPARTMENT OF STATE,
Washington, January 21, 1913.

SIR: The Department has received your No. 170 of the 16th ultimo, transmitting a note from the Minister for Foreign Affairs in regard to the proposed arbitration of the differences between the Government of Ecuador and the Guayaquil & Quito Railway Company, and reporting in regard to your interview with the Minister in which he stated that he had instructed the Ecuadorean Legation at Washington to request that the departure of Mr. Janes be delayed.

Before replying, the Department will wait to hear from Mr. Janes, as requested by him.

I am [etc.]

P. C. KNOX.

File No. 422.11G93/584.

The American Chargé d'Affaires to the Secretary of State.

No. 187.] AMERICAN LEGATION,
Quito, February 19, 1913.

SIR: I have the honor to enclose herewith duplicate copies and translations of notes numbered 202 and 212 from the Ecuadorean Foreign Office, dated February 7 and February 13 respectively. The latter one of the notes above mentioned informs the Legation that Dr. Baquerizo Moreno reached the capital on February 13.

After the arrival of the Ecuadorean Representative, the next few days were taken up by an exchange of visits between the Arbitrators. As soon as this formality had been concluded the Legation addressed a note to the Foreign Office, No. 150, dated February 18, 1913, requesting the Minister for Foreign Affairs to designate the place and hour for the formal meeting of the two Arbitrators for

the purpose of exchanging credentials and full powers. Copies of this note are also enclosed herewith.

It is expected that the American Arbitrator will be sworn in by the President of the Supreme Court and that if no unforeseen difficulties occur the Arbitral Tribunal will be constituted in the course of a few days.

I have [etc.]

RUTHERFURD BINGHAM.

[Inclosure 1—Translation.]

The Minister for Foreign Affairs to the American Chargé d'Affaires.

No. 202.] MINISTRY FOR FOREIGN AFFAIRS,
Quito, February 7, 1913.

SIR: I duly received your note No. 144 of the 1st instant in which you inform me that Mr. Henry L. Janes, who has been appointed by the President of the United States to represent him on the Arbitral Tribunal, which is to consider the disagreements that have arisen between the Government of Ecuador and the Guayaquil and Quito Railway Company, has arrived in this city. You ask me also in this note when Dr. Alfredo Baquerizo M., the Ecuadorean Arbitrator, will be in Quito.

I have delayed in answering the mentioned communication, hoping that Dr. Baquerizo would send me news of his journey, which as you know has been delayed on account of personal matters that have prevented him from coming. Today, fortunately, I can announce to you that according to information I have just received Dr. Baquerizo will be in this city the early part of next week.

I avail [etc.]

C. CARRERA.

[Inclosure 2—Translation.]

The Minister for Foreign Affairs to the American Chargé d'Affaires.

No. 212.] MINISTRY FOR FOREIGN AFFAIRS,
Quito, February 13, 1913.

SIR: Confirming my note No. 202, dated the 7th instant, it gives me pleasure to inform you that Dr. Alfredo Baquerizo Moreno, Representative of the President of Ecuador on the Arbitral Tribunal that is to take congizance of and decide all differences between the Government and the Railroad Company of the South, arrived in the Capital today.

I avail [etc.]

C. CARRERA.

[Inclosure 3.]

The American Chargé d'Affaires to the Minister for Foreign Affairs.

No. 150.] AMERICAN LEGATION,
Quito, February 18, 1913.

MR. MINISTER: I have the honor to acknowledge the receipt of your excellency's esteemed note No. 212, dated February 13, 1913, in which your excellency informs me of the arrival in Quito of Dr. Alfredo Baquerizo Moreno, Ecuadorean Representative on the proposed Arbitral Tribunal, which is to consider points of difference that have arisen between the Government of Ecuador and the Guayaquil and Quito Railway Company.

Both Arbitrators having now arrived in this city, I have the honor to suggest to your excellency the desirability of fixing the place and hour for the meeting of the Arbitrators and the formal exchange of their credentials and full powers.

I avail [etc.]

RUTHERFURD BINGHAM.

File No. 422.11 G 93/592.

The American Chargé d'Affaires to the Secretary of State.

No. 189.] AMERICAN LEGATION,
Quito, February 22, 1913.

SIR: I have the honor to report, with reference to my despatch No. 187, that the result of note No. 150, dated February 18, 1913, was a request from the Minister of Foreign Affairs to call at the Foreign Office for the purpose of discussing the contents of note No. 150 above mentioned.

Dr. Carrera then informed me that he had not yet received a reply from the Legation to note No. 118, dated December 12, 1912 (enclosure in despatch No. 170, dated December 16, 1912) and desired some statement from the Legation with reference to the contents of this note before replying to No. 150, appointing a time and place for the formal meeting of the Arbitrators for the purpose of exchanging credentials and full powers.

The point that Dr. Carrera seemed to have most in mind was the question of the scope of the powers granted to the American Arbitrator. He stated further that he had been informed by the Ecuadorean Legation in Washington that the Department of State had told Mr. Wither[1] that the powers granted to the American Arbitrator were unrestricted.

The conference ended by Dr. Carrera requesting the Legation to reply to the note from the Foreign Office of December 12 last.

The note in question contained so much controversial matter, on the subject of which the Legation had received no instructions, that after a consultation with Mr. Janes it was decided to ignore the contents of this note, with the exception of that part dealing with the powers of the American Arbitrator.

Note No. 151, dated February 21, 1913 (duplicate copies enclosed herewith), was accordingly addressed to the Foreign Office, together with a certified copy of the authority under which Mr. Janes will act.

I have [etc.]

RUTHERFURD BINGHAM.

[Inclosure.]

The American Chargé d'Affaires to the Minister for Foreign Affairs of Ecuador.

No. 151.] AMERICAN LEGATION,
Quito, February 21, 1913.

MR. MINISTER: With reference to the subject of the conversation with your excellency at the Ministry for Foreign Affairs yesterday morning, in which your excellency spoke of the character of the powers furnished by the President of the United States to the American Arbitrator authorized to represent him, in accordance with the terms of the contract between the Government of Ecuador and the Guayaquil and Quito Railway Co., dated June 14, 1897, I have the honor to enclose herewith a duly certified copy of the authority under which Dr. Janes will act.[2] Your excellency will observe that this power is unrestricted and similar in all respects to that furnished to the American Arbitrator in 1907.

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[1] Secretary of the Legation of Ecuador.

[2] Not printed.

I have the honor at the same time to request that this document, after it has served your excellency's purpose, be returned to the Legation, in order that it may be placed at the proper time with the records of the Arbitral Tribunal about to be constituted.

I avail [etc.]

RUTHERFURD BINGHAM.

File No. 422.11G93/594.

The American Chargé d'Affaires to the Secretary of State.

No. 193.] AMERICAN LEGATION,
Quito, February 28, 1913.

SIR: I have the honor, with reference to my despatch No. 189 and to its enclosure, note No. 151 from the Legation to the Ecuadorean Foreign Office, to enclose herewith duplicate copies and translations of note No. 230, dated February 25, 1913, from the Ecuadorean Foreign Office in reply to the Legation's No. 151 above mentioned.

I have [etc.]

RUTHERFURD BINGHAM.

[Inclosure—Translation.]

The Minister for Foreign Affairs to the American Chargé d'Affaires.

No. 230.] MINISTRY OF FOREIGN AFFAIRS,
Quito, February 25, 1913.

SIRS I have received your esteemed communication No. 151, dated the 21st of the present month, with which you had the kindness to enclose a certified copy of the document by virtue of which Dr. Janes will act in the arbitration of the questions pending between the Government of Ecuador and the Guayaquil and Quito Railway Co. Having informed myself of the text of this document, I return it to you in accordance with your request.

As you make reference in your note to our conference on the morning of the 20th of this month, and in this conference we spoke also of the note No. 118, dated the 12th of last December from this Ministry to the Legation, I believe that I should understand and therefore do understand, that your communication, to which I have the honor to reply, should be considered as a reply to the above-mentioned note of December 12, which has remained unanswered to the present date.

I avail [etc.]

C. CARRERA.

File No. 422.11G93/595.

The American Arbitrator to the Secretary of State.

[Extract.]

OFFICE OF THE AMERICAN ARBITRATOR,
Quito, March 5, 1913.

SIR: Referring to Department's instruction No. 62 of January 21 last to the American Chargé d'Affaires at this capital, and to my telegram from Panama of January 2 [1], I have the honor to submit a report upon the situation.

After some delay at Panama, I arrived at Guayaquil on the 9th of January, proceeding after a delay of one day at Huigra to Quito,

[1] Not printed.

where I immediately made the usual formal official calls and endeavored to cultivate the acquaintance of the members of the Government and to form the closest friendly relations with the circle of advisers surrounding the President. * * * The Ecuadorean Arbitrator reached this city on the 13th of February, about five weeks subsequent to my arrival in Ecuador. * * *

Immediately upon receiving official notice of the arrival of the Ecuadorean Arbitrator, Chargé d'Affaires Bingham courteously approached the Foreign Office suggesting the expediency of a meeting of the two arbitrators now present in Quito, in order that the Arbitrational Tribunal might at once be installed. In reply the Minister for Foreign Affairs transcribed a communication from the Minister of Public Works stating that it had been arranged between this official and Mr. Henderson, Manager of the Railway Company, that the arbitrators and the lawyers for both parties should meet at the Ministry of Public Works in order to discuss the preliminaries for the promotion of the organization of the Arbitral Tribunal without delay. Upon learning from Mr. Bingham of the tenor of this note, I called upon Doctor Baquerizo and agreed with him that it would be most inexpedient for the arbitrators to be present at the conference between the parties, inasmuch as it appeared probable that certain subjects might be broached initiating a discussion in the presence of the members of the Tribunal regarding matters which would in due course be formally submitted to arbitral judgment. It further appeared to me most important that I should not permit myself to be drawn into any controversy between the parties which might give an erroneous impression as to my attitude on the questions at issue. Doctor Baquerizo readily assented to the view that the arbitrators in this matter should keep themselves severely aloof from the preliminary negotiations between the parties.

Accordingly, during the past three weeks the attorneys for the Railway Company and the Government have been laboring to arrive at an understanding furnishing the bases for the work of the Tribunal. * * *

The argument that has been put forward during the discussion over the terms of submission, between the attorneys of the parties at the Ministry of Public Works, tends, it is asserted, to show a purpose of the Government to insist upon the Arbitration Tribunal being organized in accordance with the provisions of the Ecuadorean Civil Code and subject to Ecuadorean laws and procedure, with the primary object of making any arbitral decision reviewable by the local courts. Article 27 of the contract between the Government and the Guayaquil and Quito Railway Company reads as follows:

> All controversies or disagreements that may arise between the contracting parties shall be settled by arbitration; one arbiter shall be the President of the United States of America and the other shall be the President of Ecuador; should they not wish to act, they will each name an arbiter; and should these not agree, then the said President of the United States of America and the President of Ecuador will name a third arbiter to decide the question.

It would appear that it was the intention of the parties to the contract, in embodying this clause among its provisions, that all future controversies and disputes which might arise between them, growing

out of these contractual relations, should be removed from the jurisdiction of the local tribunals and that an appeal for settlement should be made to the sense of justice of the Heads of States therein designated. It is submitted that even to a person casually perusing this clause of the contract it must occur that just such a stipulation should have most naturally suggested itself for adoption by persons pledged to an undertaking of such stupendous magnitude, in the completion of which the least of future difficulties to be reckoned with was certainly not the methods and procedure customarily encountered by foreign companies in the administration of justice by the local courts.

In spite of the difficulties that have been met with, the hope is felt that the representatives of the parties will, if a firm attitude is maintained by the Department in the matter, soon reach an agreement as to a compromise which will eventuate in arbitration. I am informed by the attorneys of the Railway Company that a satisfactory arrangement has been reduced to writing by the Government lawyers and should be signed tomorrow. Should, however, this not be the case, or should further and unreasonable delay be experienced, I would respectfully recommend that the Department intimate firmly to Minister Córdova that the Government of the United States cannot continue to regard as serious the expressed purpose of the Ecuadorean Government to submit the differences existing between the railroad and that Government to arbitration and is considering the advisability of the withdrawing of the representative on the Arbitral Tribunal designated by the President of the United States. I feel confident that a strong attitude in such an eventuality would bring about an immediate solution either in the direction of arbitration or a direct settlement between the parties.

With respect to the note from the Ecuadorean Foreign Office to the American Legation of the 25th ultimo, in reply to Legation's note of the 21st of that month enclosing a certified copy of the powers of the American Arbitrator, I have learned from Mr. Bingham that the grounds for the action taken by the Legation have been set forth in a despatch to the Department (No. 189, dated Feb. 22). It would appear evident that the expressed preparedness of the Ecuadorean representatives at this date to enter into a satisfactory arrangment covering the terms of submission had postponed the consideration of the controversial matters raised in the note from the Ecuadorean Foreign Office of December 12, 1912, until the time when the cases of the parties shall have been filed and issue joined. The course pursued was particularly recommended by the desire of obviating the loss of time through a discussion between the Governments of those points before the issue between the parties had become definitely joined, thereby affording opportunity for the elimination of many matters of an extraneous character and materially simplifying the problem. It is therefore respectfully submitted that in consideration of all the elements of the present complicated situation, it would be better to await developments which may be of such a character as to make diplomatic representations on those points unnecessary.

I have [etc.]

HENRY L. JANES.

File No. 422.11 G 93/597.

The American Chargé d'Affaires to the Secretary of State.

No. 195.] AMERICAN LEGATION,
Quito, March 6, 1913.

SIR: I have the honor to report that through a confidential source, which I believe to be reliable, information has reached this Legation with respect to the instructions given to Dr. Gonzalo S. Córdova, newly appointed Ecuadorean Minister to Washington, by his Government.

With respect to the arbitration of matters relating to the Guayaquil and Quito Railway Co., Dr. Córdova has been informed that the Government of Ecuador will delay sufficiently over the preliminary details, so that the Arbitral Tribunal will not be formally installed until after Dr. Córdova's arrival in Washington.

Dr. Córdova is then instructed to direct all his efforts in a general way to persuade the new administration to abandon the attitude of protection, which the Department of State has so far maintained towards the Guayaquil and Quito Railway Co., this for the ostensible purpose of fostering and improving good relations between the United States and Ecuador.

Dr. Córdova is to be kept closely informed with regard to the progress of the arbitration and in case President Plaza is not satisfied with the attitude and the decisions of the American Arbitrator, or believes that any advantage may be gained therefrom, Dr. Córdova will be instructed to request the recall of Dr. Henry L. Janes and the appointment of some other person to replace him.

I have [etc.]

RUTHERFURD BINGHAM.

File No. 422.11G93/582.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Quito, March 8, 1913.

Representatives of the Government of Ecuador and attorneys for the Railway Company have been discussing bases of submission for arbitration wherein the Government tentatively agreed, for the sake of courtesy, that the oath be administered to the arbitrators by the President of the Supreme Court and stipulated that the arbitrators should act as amiables compositeurs.

The said representatives suddenly changed in attitude on March 6 regarding the finality of the award to be rendered and the obligation of prompt payment of such sums as may be awarded, insisting that this is a question for determination subsequent to the award.

The fact that Ecuadorean law provides that an award is not final unless so stipulated in the submission makes clear the purpose reflected in the above-mentioned attitude of the Government.

Papers were served today on the Company in a proceeding to compel the taking of the oath before an inferior court and to oblige the American Arbitrator to submit to the jurisdiction of this local tribunal. This is apparently a repetition of the effort made by the Government attorney to cite the President of the United States to appear and act as arbitrator or to arbitrate a question in accordance with article 27 of the railway contract. At that time it was finally recognized by Ecuador that communication with the President should be made through diplomatic channels, which resulted in the appointment of an arbitrator.

In view of this, and of the evident intention of the Government of Ecuador to maintain that recourse to the local courts is still open in case of an award unsatisfactory to the Government, the American Arbitrator will refuse to recognize the right of any Ecuadorean court to compel him, acting in the matter instead of the President of the United States, to submit to their jurisdiction and procedure. Telegraphic instructions are requested.

The Arbitrator's despatch of March 5 is concurred in by the Legation.

I would respectfully recommend a firm attitude toward the Minister of Ecuador, about to arrive at Washington. A further delay may threaten the very existence of the railroad enterprise and I hope a settlement by arbitration may be speedily reached.

(Not signed:) [BINGHAM.]

File No. 422.11 G 93/606.

The American Chargé d'Affaires to the Secretary of State.

AMERICAN LEGATION,
Quito, March 11, 1913.

SIR: I have the honor to enclose herewith duplicate copies of a letter addressed to this Legation by the American Arbitrator, Dr. Henry L. Janes, which is self-explanatory.

I have [etc.]

RUTHERFURD BINGHAM.

[Inclosure.]

The American Arbitrator to the American Chargé d'Affaires.

OFFICE OF THE AMERICAN ARBITRATOR,
Quito, March 10, 1913.

SIR: I have the honor to inform you that at about 2 o'clock this afternoon the Juez de Letras, accompanied by two secretaries, called at my residence. I asked my secretary, Mr. La Fetra, to receive the judge. Mr. La Fetra was informed by the judge that he had come to administer the oath giving possession to the charge as arbitrator. In view of your recent cablegram to the Department stating that I would refuse to accept the jurisdiction and procedure of the Ecuadorean courts, and requesting instructions on this point, I asked Mr. La Fetra to inform the Juez de Letras that the matter was now in diplomatic channels and would at the proper time be appropriately taken up with the Ecuadorean Foreign Office. The judge thereupon replied that he would call later.

I have [etc.]

HENRY L. JANES.

File No. 422.11 G 93/607.

The American Chargé d'Affaires to the Secretary of State.

No. 197.] AMERICAN LEGATION,
Quito, March 17, 1913.

SIR: I have the honor, with reference to my unnumbered despatch of the 11th instant, with which I transmitted a letter from the American Arbitrator, Dr. Janes, saying that he had refused to take the oath of office on the occasion that the Judge of Letters called at his house for the purpose of administering it, to inform the Department that the next move on the part of the Ecuadorean Government was to address a note to this Legation (No. 249, dated March 14, 1913) to which the Legation replied by note No. 159 of to-day's date. This note was prepared after consultation with Dr. Janes.

I have [etc.]

RUTHERFURD BINGHAM.

[Inclosure 1—Translation.]

The Minister for Foreign Affairs to the American Chargé d'Affaires.

No. 249.] MINISTRY OF FOREIGN AFFAIRS,
Quito, March 14, 1913.

SIR: I have the honor to transcribe to you for your information the following communication, No. 171, dated the 13th of the present month, which the Minister of Public Works sent to me:

THE MINISTER OF FOREIGN AFFAIRS AND JUSTICE: I believe it proper to inform you, in order that you may bring it to the knowledge of the Chargé d'Affaires of the United States of North America, that Dr. Manuel R. Balarezo, Government Attorney, requested the Judge (Juez de Letras) of the Province of Pichincha to administer the oath of office to Dr. Henry L. Janes and Dr. Alfredo Baquerizo Moreno, for the discharge of the important office of Arbitrators, to which they have been appointed respectively by the Governments of Ecuador and the United States of America, for the purpose of deciding the controversies between the Government of Ecuador and the Guayaquil and Quito Railway Co. This request was caused by the consideration that the Agents (having full power of attorney) and the Attorney of the Guayaquil and Quito Railway Co. have raised difficulties to having this oath taken before the Supreme Court.

The Government has designated the Senate Chamber as the office or meeting-place of the Arbitral Tribunal for the beginning of its labors.

The Government of Ecuador believes that the Arbitrators should take the oath of office in conformity with the motion made by Dr. Balarezo, the Government Attorney, but the Representative of the Railway Company states that he does not consent to the oath of office being taken in the manner indicated above. This opposition prevents the immediate organization of the Tribunal and commencement of its labors, which is what the Government of Ecuador has desired and continues to desire with eagerness.

God and Liberty.

MODESTO A. PEÑAHERRERA.

Accept [etc.]

LUIS N. DILLON.

[Inclosure 2.]

The American Chargé d'Affaires to the Minister for Foreign Affairs.

No. 159.] AMERICAN LEGATION,
Quito, Ecuador, March 17, 1913.

MR. MINISTER: I have the honor to acknowledge receipt of the note of your excellency No. 249, of the 14th instant, in which you transcribe at the suggestion of the Minister for Public Works a communication from that Ministry stating that proceedings have been initiated before the Second Judge of Letters of Pichincha Province to the end that the arbitrators designated according to the terms of Article 27 of the railway contract of 1897 may enter upon their duties. The Minister for Pubilc Works adds that this action has been made imperative

because of difficulties, which he does not specifically indicate, raised by the representatives of the Guayaquil and Quito Railway Company in this important matter, preventing the realization of the original plans, which were, to have the oath administered as a befitting courtesy by the President of the Supreme Court of Ecuador.

It cannot but remain a matter of keen regret that there should exist such an apparent variance of views regarding the character and dignity of a Tribunal upon which the President of the United States has, in accordance with a request from the Government of Ecuador transmitted through official diplomatic channels, named his representative. The steps which the State's Attorney of Ecuador has now inaugurated before the local courts of justice appear strange in the light of the knowledge of the simple and direct methods which led to the organization of the previous arbitration in the month of October, 1907.

In view of the above, and with a desire to clarify the present situation, I hasten to inform your excellency that the disinclination of the American Arbitrator to take an oath of office as arbitrator in the present case before the Judge of Letters, was due to the natural fear that an erroneous significance might be attached to such act on his part, particularly by encouraging a possible misconception as to the generally accepted character of the arbitration expressly provided for under the contract for the final settlement of all differences and disputes arising between the Government of Ecuador and the Guayaquil and Quito Railway.

The American Arbitrator states to me that he has from personal conversation with his excellency the Minister for Public Works been greatly gratified to learn that the present action of the State's Attorney in petitioning the Judge of Letters in the matter is not to be construed as implying a submission on the part of the arbitarators to the jurisdiction of the court by whom the oath is by courtesy administered, that it is not the understanding of the Government that the Arbitral Tribunal about to be constituted will be governed by local laws and procedure, and that the award contemplated by Clause 27 is *de natura* unquestionably final. From this, it would appear that no insuperable obstacles had in fact presented themselves to the immediate organization of the Arbitral Tribunal. It accordingly gives me pleasure to inform your excellency that if the Foreign Office will formally renew this statement to the Legation, Doctor Janes will be prepared at any time to take the oath of office, before any officer who is by law empowered to administer oaths, upon the bases which it is understood by Doctor Janes from Doctor Peñaherrera the parties have already tentatively adopted for the guidance and assistance of the arbitrators in the discharge of their high duties.

I avail [etc.]

RUTHERFURD BINGHAM.

File No. 422.11 G 93/621.

The American Chargé d'Affaires to the Secretary of State.

No. 200.] AMERICAN LEGATION,
Quito, April 3, 1913.

SIR: I have the honor to report that since my despatch No. 197, dated March 17, 1913, the progress in the formation of the Arbitral Tribunal has been very slight. Since that date the time has been taken up by a correspondence between Dr. Henry L. Janes, the American Arbitrator, on the one side, and the Minister of the Interior and the Judge of Letters of the Province of Pichincha on the other. Copies of this correspondence are enclosed for the information of the Department.

I have [etc.]

RUTHERFURD BINGHAM.

[Inclosure 1—Translation.]

The Judge of Letters to the American Arbitrator.

No. 417.]

SECOND COURT OF LETTERS,
PROVINCE OF PICHINCHA,
Quito, March 15, 1913.

DR. HENRY L. JANES: This Court ordered that you take possession of the charge of Arbitrator; and in order that this proceeding may be effected, a new day and hour being fixed, you will, if you please to do so, make it known whether you are willing to take the oath, or, in the contrary case, to make known the objection you may have to performing that act, in which this Court can intervene with indisputable authority.

God and Liberty,

CARLOS F. GÓMEZ.

[Inclosure 2—Translation.]

SECOND COURT OF LETTERS,
PROVINCE OF PICHINCHA,
Quito, March 15, 1913.

DR. HENRY L. JANES: In the proceedings put into effect in order that you and Dr. Alfredo Baquerizo Moreno may take possession of your offices as Arbitrators, in order to pass upon the controversies which have arisen between the Guayaquil and Quito Railway Company and the Government of Ecuador, there is filed further the following decree:

QUITO, *March 15, 1913, 1 p. m.* In accordance with Clause No. 1 of Article 49 of the Organic Law of Judicial Power, this Court has authority to give possession to Doctors Alfredo Baquerizo Moreno and Henry L. Janes of the office of Arbitrators, by means of the prescribed oath; since the State is the plaintiff in the controversies or disagreements with the Guayaquil and Quito Railway Company, this authority can not be doubted. For the purpose indicated in Clause No. 1, the Secretary will amplify his communication of the 10th instant; and for the purpose indicated in Clause No. 2 of said order, let the said Dr. Henry L. Janes be informed, without waiving the notice of this decision. In view of the answer which may be given to the said notice, a day and hour will be fixed for giving possession of the office.

GÓMEZ.

I communicate this to you for your information.

The Second Secretary of Hacienda.
A. VILLACRESES GÓMEZ.

[Inclosure 3—Translation.]

The American Arbitrator to the Minister of the Interior.

OFFICE OF THE AMERICAN ARBITRATOR,
Quito, March 17, 1913.

MR. MINISTER: I have the honor to acknowledge receipt of your note No. 140 of the 13th instant, in which you have the kindness to inform me of the steps taken by the State's Attorney intended to promote the organization of an Arbitral Tribunal in order to pass upon the controversies which have arisen between the Government and the Guayaquil and Quito Railway Company. You add that the Attorney and the agent of the Company had placed obstacles in the way of having the oath referred to taken before the Supreme Court. Upon informing me that the Government had designated the Senate Chamber as the office of the Arbitral Tribunal in the beginning of its labors, you invite me to present myself at this hall for the installation of said Tribunal.

I believe I can say to you, Mr. Minister, frankly, that nothing would give me greater pleasure than to see the immediate beginning of the labors for which I came expressly from a long distance and underwent an arduous journey, believing that the Tribunal formed by the delegates of two Presidents would act without delay. Before arriving in Ecuador I could not imagine any difficulty or ambiguity in the clear interpretation of the clause by which the contracting

parties agreed to resort to arbitration as the sole means for deciding all controversies which might arise between them.

The representatives of both parties now assure me that difficulties have arisen relating to the character of the Tribunal which the Governments of the United States and of Ecuador have endeavored to start aright.

The conversation which took place in the Ministry last Monday to which you refer in your kind communication, gave me the impression that no real divergence existed between the desires and intentions of the representatives of the parties; that, as I had the opportunity of stating to you at your home the evening of the same day, it was a question merely of words and of finding a satisfactory formula which might enclose the purposes of the parties which really are not antagonistic. I still hope that the bases for the submission of the controversies will be found before long in the good-will of the parties, so that in this manner the prompt solution may be arrived at of a problem which cannot but present in the future new and more serious difficulties to the Ecuadorean nation and to this public utility, which should measure up to the growing necessities of the country.

I have delayed in answering this note, in the belief and hope that during these days I would receive the pleasing announcement of an arrangement of the question pending in regard to said bases.

Night before last the Chargé d'Affaires of the United States informed me of the contents of the note of the Ministry of Foreign Relations of the 14th instant, which appears to indicate the same status which existed on Monday, the 10th instant. The reply which the Honorable Mr. Bingham made to that note of the Ministry has as an object the assisting of the parties in so far as possible to come to an understanding without further delay and set forth the points which, without apparent reason, have appeared, under certain aspects, as stumbling blocks, when in reality that nature should not be given to them.

As unfortunately, dear Mr. Minister, these doubts have arisen regarding the scope and nature of the arbitration, it appears to me that the interests of the parties would be better served and that future difficulties would be avoided by arriving at once at an agreement (which does not appear to be difficult) which may make clear the relations established by the contract in this regard and may provide a ground of mutual understanding. I hope that your clear mind may deign to work to the end that the Tribunal may begin its labors without delay, or that the parties may decide with equal promptness to appeal directly to another means for fixing and securing their respective rights.

I write you thus privately with the strong hope of being able to register very soon a definite decision in regard to the present situation, and in order to tell you that I must therefore write to the Second Judge of Letters, informing him that various questions with regard to the organization of the Arbitral Tribunal, the elucidation of which properly belongs to diplomacy, are now being discussed officially, and that for this reason it is not possible for me to recognize his jurisdiction in the matter.

I am [etc.]

HENRY L. JANES.

[Inclosure 4—Translation.]

The American Arbitrator to the Judge of Letters.

OFFICE OF THE AMERICAN ARBITRATOR,
Quito, March 22, 1913.

HONORABLE SIR: I have the honor to acknowledge receipt of the note dated the fifteenth instant, addressed to me by the Court, in which it is said that I have been ordered to take possession of the office of Arbitrator; and in order that this proceeding may be put into effect, day and hour being fixed, it is added that I make it known whether I am ready to take the prescribed oath before you as the Ecuadorean authority designated by the law and procedure of Ecuador to intervene in giving arbitrators possession of their offices.

In view of the fact that the Charge d'Affaires of the United States of America has informed me that he is now in communication with the Minister of Foreign Relations of Ecuador in regard to matters concerning the immediate organization of the Arbitral Tribunal, with the view of cooperating in so far as possible

and proper towards this much-desired end, you will perceive that the only correct course which I can now follow is to await the result of this diplomatic exchange of ideas.

Naturally, I can only send you the above in a very private manner for your information, without accepting nor entering into discussion regarding your jurisdiction in the matter, upon which, of course, it is not within my province to pass.

I am [etc.]

HENRY L. JANES.

[Inclosure 5—Translation.]

The Minister of the Interior to the American Arbitrator.

No. 179.] MINISTRY OF THE INTERIOR,
SECTION OF PUBLIC WORKS,
Quito, March 31, 1913.

MR. HENRY JANES: I received your private communication dated the 17th of the present month, which you were pleased to address to me in reply to my note No. 140 of the 13th instant; and I permit myself to state to you that, while I applaud the desire which you make known to me, to begin the labors for which you expressly came from a long distance and after a rather weary journey, I regret, at the same time, that the objection of the Guayaquil and Quito Railway Company to proceed in accordance with that which we had agreed upon, and your fear, made known to the Chargé d'Affaires of the United States of America, that there might be error in procedure, should be the cause of the delay in beginning the labors of the Arbitrators, a delay which is contrary to the earnest desires of the Government of Ecuador and causes the latter great injuries.

Clause 27 of the Contract of June 14, 1897 is the authority by virtue of which the President of Ecuador and that of the United States have proceeded to name respective Arbitrators to pass upon the controversies or disagreements which might arise between the two contracting parties; and the tenor of this clause is so clear that, in truth, there is nothing which forbids interpreting it in accordance with its literal tenor, which explains, at the same time, the manifest intention of the contracting parties. The railroad company finds no obscurity whatever in the meaning of said clause, but desires, as I made known to you, that it be amplified by introducing a declaration relating to the finality of the arbitral award, a declaration which it is impossible for me to make, for the incontrovertible reason, which also I made known to you, that it is not within my province to add to nor to modify the contract under pretext of interpreting it. If, having in mind the nature of the arbitration and its antecedents, the arbitral award is judged to be final, the parties do not have to so declare it; but if, by virtue of those same considerations, it is believed that it may be appealable, neither the representatives of the Company nor this Ministry would have the authority to declare the contrary. But this unfounded pretension of the Company is not, in my judgment, any reason why you should delay taking the oath, which you yourself consider indispensable in order that the Arbitrators may begin to discharge their functions.

I permit myself to call the attention of your enlightened and upright discernment to the fact that an error of judgment would be incurred by affirming that the Arbitral Tribunal is formed by the Delegates of two Presidents, that of Ecuador and that of the United States, if it should be desired to attribute to the delegation any characteristics of dependence upon those who are considered as delegators. Both you and Dr. Baquerizo have been named by the respective Presidents, by virtue of the powers which belong to them by Clause 27 of the Contract of June 14, 1897: the Presidents have not accepted the charge of Arbitrators, and for this reason each one of them has named the respective Arbitrator in order that the latter may pass upon all difficulties between the contracting parties; and by virtue of these antecedents your actuation as Arbitrator is not subject to the President of the United States nor to the hindrances placed by the railway company, as you intelligently explained to me in the agreeable conversation to which you refer in your esteemed note.

If you should discharge the duties of *arbitro arbitrador* or *amiable compositeur*, under shelter of that independence, seeking the truth and guided by the

principles of justice and by good faith; and if, as you stated, diplomatic intervention had no reason for being invoked in this controversy, I find no satisfactory explanation why you should delay for a longer time in accepting the charge, influenced by the expectation of an arrangement between the Government and the Company, which has no reason for existence, since what was agreed upon in said Clause 27 is the legal and sufficient antecedent in order that the Arbitrators may accept the charge and begin their labor of justice.

In the last paragraph of your letter, you say to me: "I write to you thus privately with the strong hope of being able to register very soon a definite decision in regard to the present situation, and in order to tell you that I must therefore write to the Second Judge of Letters, informing him that various questions with *regard to the organization of the Arbitral Tribunal, the elucidation of which properly belongs to diplomacy*, are now being discussed officially and that for this reason it is not possible for me to recognize his jurisdiction in the matter." Permit me to state to you, that I consider lacking in foundation the statement that the organization of the Arbitral Tribunal should properly be elucidated by diplomacy and that said organization is being discussed officially. No, Mr. Janes, you know perfectly not only that the Government of Ecuador upon entering into the contract dated June 14, 1897, acted in its character as a legal person, leaving out absolutely the other characteristics belonging to the State, in regard to a contract for which any individual or legal entity has legal capacity, but also that the other contracting party is also a legal entity, which undertook the obligation of constructing a work in Ecuador. Contracts of this nature between two natural or legal persons which relate to acts which can be done by any natural person, are not subject to diplomatic intervention, except in the sole case of a denial of justice, as the foreign contracting party, Mr. Harman, recognized before the Contract of June 14, 1897, was reduced to public writing.

The contracting parties set forth the form of conduct by which they should be guided, and they can demand the fulfillment of the legal relations established by it under shelter of the principles which are implicitly contained in the contract by the act of its being entered into. In the present case, there is no question of conventions or treaties between nations, or that they owe their existence to diplomatic intervention; in the contract it is expressly agreed that the controversies or disagreements between the contracting parties should be decided by arbitrators; the provisions of the contract have been followed in your appointment and in that of Dr. Baquerizo as Arbitrators; there is no denial of justice; on the contrary, it is demanded by the Government of Ecuador that justice should be done by the persons who according to the contract are called upon to discharge that duty. What sound reason can induce you to await the diplomatic elucidation of a matter, which is in no sense submitted to it, before proceeding to discharge the function of arbitrator?

If there were any deficiency in the arbitral compromis, this should be supplied by the parties by virtue of their own will, and not by extraneous influences which might limit the free-will and independence of the contracting parties; but, in truth, there is no such deficiency, because, as I stated to you, the respective complaints of the parties and their means of defense will be presented before the Arbitral Judges and the Arbitral Judges are authorized to establish the procedure which may be the most convenient for the effective discharge of their duties.

You have recognized it more than once to be indispensable that the Arbitrators should take the oath before discharging their duties, and as the Judge who should receive the oath by virtue of the petition of the representatives of the Government of Ecuador is the Judge of Letters, you should take the oath before him, without this implying that the Arbitrators are subjected to the jurisdiction of the Judge of Letters, as they would not be either to the Supreme Court, if, according to what was suggested by the Railway Company, the latter had presented its petition before the President of said Court.

I hope, therefore, that you, Mr. Janes, in whom I recognize merits of the highest value, will be pleased to cast aside difficulties which have no reason for existence, having in mind that the best method of properly looking after the just interests of the parties, is that the Arbitrators should begin their functions.

God and Liberty,

MODESTO A. PEÑAHERRERA.

File N. 422.11 G 93/625.

The American Chargé d'Affaires to the Secretary of State.

No. 202.] AMERICAN LEGATION,
Quito, April 8, 1913.

SIR: I have the honor, with further reference to my despatch No. 200, dated April 3, 1913, to enclose herewith duplicate copies and translation of Dr. Janes' letter of the 2nd instant to the Minister of the Interior, Dr. Modesto A. Peñaherrera. This letter is in reply to the letter from the Minister of the Interior, sent as enclosure No. 5, to the Department, in despatch No. 200, above noted.

I have [etc.]

RUTHERFURD BINGHAM.

[Inclosure—Translation.]

The American Arbitrator to the Minister of the Interior.

OFFICE OF THE AMERICAN ARBITRATOR,
Quito, April 2, 1913.

MY DEAR MR. MINISTER: I take pleasure in acknowledging receipt of your communication, dated the 31st ultimo, which reached my hands yesterday morning, and to hasten to reply in order that any doubts that may have prevailed in your superior intelligence as to the conception I have of the nature of the high duties with which I have been charged by the President of the United States of America may at once be banished.

It is a matter of the deepest regret to me that I must beg to differ from you as to the chief points you urge regarding the character of the tribunal provided for the settlement of the disputes arising between the Government of Ecuador and the Guayaquil and Quito Railway Company. However, these are points which, both because of the importance as well as the intrinsic nature thereof, should be properly left for friendly diplomatic consideration and adjustment. I desire to make it quite clear that I do not regard it either as expedient or within my province to enter now upon a discussion with you of these matters, and of others which were mentioned in your greatly esteemed letter. I am convinced that this should be taken up through the diplomatic channels by way of which the present Arbitral Tribunal as well as that of 1907 came to be formed.

Nevertheless, before closing, I deem it my duty to correct an erroneous impression which seems to have been received by you and to be reflected in your courteous communication under acknowledgment, as to the nature and effect I ascribe to the oath which arbitrators before beginning their labor are, in accordance with the most common practice, wont to take. I have never at any time been of the opinion that such oath should be instrumental in placing me in possession of the charge of arbitrator; which, on the contrary, I have already received from the hands of the President of the United States of America, without the intervention of any judge nor through the act of contending parties. I do not consider that such oath can furnish more than a protocolar guaranty in controlling the conclusions of the Arbitrators or Umpire taking it.

In this connection it has given me pleasure, however, to note your personal assurance that the administering of the oath by a judicial magistrate of Ecuador can not be taken to imply "that the Arbitrators would be subject to the jurisdiction of the Judge of Letters, as they would not be either to the Supreme Court, if, according to what was suggested to the Railway Company, the latter had presented its petition before the President of said Court." So far as the constitution of the present Arbitral Tribunal is concerned, it is then a subject of entire indifference, in fact, whether the oath be taken before the Juez de

Letras, or the President of the Supreme Court, or whether a simple declaration be subscribed by the Arbitrators.

I therefore must beg leave to terminate this correspondence in order to await the result of the friendly diplomatic exchange of views already initiated, and to subscribe myself again,

Sincerely your friend,

HENRY L. JANES.

File No. 422.11G93/604.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Quito, April 9, 1913.

Referring to my telegram of March 8, the Railway Company and the Government have reached an impasse in the organization of the arbitral tribunal. It appears that the Government holds the arbitration to be of a quasi-international character and the eventual decision to be final. On March 17 I inquired whether formal confirmation of the organization could be made by the Minister for Foreign Affairs. On April 1 the Foreign Office replied as summarized in the following:

As the original contract between the Government and the Company was a private agreement, the laws of Ecuador were by implication incorporated in it. Therefore any arbitration stipulated therein for settlement of differences arising thereunder must be such arbitration as the local code provides for, even if the persons specified as arbitrators should be Heads of States. Consequently the laws and procedure of Ecuador apply to the constitution of the tribunal as well as to the finality and enforcement of the award. In the preceding arbitration the American Arbitrator, on June 17, 1908, took oath before a local judge. Hence the present Arbitrators should also take possession of office before a local judge, who is later to execute the judgment and who is authorized to review their decision; hence, furthermore, diplomatic cooperation in the formation of the tribunal is unacceptable.

The Foreign Office submitted this statement to the representatives of the Railway Company in order that their views might be considered by the Department in connection with it. The Railway Company's brief—after considering the steps leading to the formal request of Ecuador for the appointment of an arbitrator by the President of the United States, when the usual local procedure had failed both in this case and in 1907—points out that the Government of Ecuador overlooks the very purpose of article 27, namely to remove disputes from the local jurisdiction and raise them above the recognized influence of the local environment.

Article 27 makes settlement by arbitration exclusive. The President is now acting through his appointee, who is entitled to the same consideration as the President. If local laws and procedure apply, the absurd result would be that the President of the United States and the President of Ecuador have been invited to act as referees whose decisions will be reviewed by a local court of inferior jurisdiction, because under the laws of Ecuador an appeal lies unless a provision against an appeal is stipulated in the protocol.

The organization of the tribunal in October, 1907, before the Minister for Foreign Affairs was eminently proper, as the arbitrators derived their faculties from the appointing power and needed no authorization from a local judge. The action of the American Arbi-

trator, in deferring to the wishes of the Government of Ecuador by taking an oath before the local judge eight months after the installation of the Tribunal, was doubtless upon the understanding that this could have no further legal effect than that derived from taking an oath before a judicial officer in the United States. In subsequent proceedings the local judge was ignored and the award was notified to the respective Presidents by each Arbitrator and was not submitted to any local court, as required by the code in local arbitrations. If the position of the Government were tenable, the Company would be stripped of every protection and of every hope of redress.

The American Arbitrator has held severely aloof from the preliminary negotiations relating to the constitution of the Tribunal. Since my telegram of March 8, he has made a careful study of the situation and has concluded from a conversation with the Minister of Public Works, the Minister for Foreign Affairs and the President, and an examination of the Legation's archives, that the Tribunal was intended by the parties to make a final award in settlement of the existing controversies.

By ratifying the provisions of the original contract, it appears that the Congress of Ecuador recognized the quasi-international character of the Tribunal by ignoring the express provisions of the code relating to local arbitrations, which prohibit the Executive from acting as arbitrator, forbid local arbitrations in which interests of the State are involved, and require that in the submission the parties expressly stipulate as to the powers of the arbitrators, the binding force of the decision and the finality of the award.

The American Arbitrator is of the opinion, shared by the Legation, that the parties are unwilling to proceed without some intimation from the Department of State as to the measure of protection that the Government of the United States is ready to afford. He requests that he be immediately instructed.

BINGHAM.

File No. 422.11G93.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Quito, April 14, 1913.

My 195 of March 6. The Legation is informed that Sr. Córdova, the Minister of Ecuador, has requested the recall of Doctor Janes, alleging partiality to the railroad, and has also requested appointment of another arbitrator. Doctor Janes' attitude toward the railroad has been strictly correct and formal and most patient and judicial. I am convinced that the request for his recall is prompted only by the desire of President Plaza to gain time. His recall would be serious to American prestige.

BINGHAM.

NOTE.—On April 16 the Secretary of State, by direction of the President, requested the resignation of Mr. Janes as Arbitrator.[1]

[1] File No. 422.11G93/610a.

File No. 422.11 G 93/613.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Quito, April 18, 1913.

Mr. Janes requests transmission of the following:

I hereby present my resignation to take effect immediately as Arbitrator upon the Tribunal to pass upon the claims of the Government of Ecuador and the Guayaquil and Quito Railway Company.

JANES.

BINGHAM.

NOTE.—Mr. Janes left Quito April 28, 1913, en route for the United States.[1]

File No. 422.11 G 93/629.

The Chargé d'Affaires of Ecuador to the Secretary of State.

No. 315.] LEGATION OF ECUADOR,
Washington, May 8, 1913.

SIR: I have the honor to inform your excellency, that I have received a cable today from my Government, by which I am instructed to inform your excellency that the Government of Ecuador accepts without reserve the appointment of Judge A. L. Miller as Arbitrator in the dispute that has arisen between the Government of Ecuador and the Guayaquil and Quito Railway Company in the execution of the contract between them.

I have [etc.]

S. S. WITHER Y S.

File No. 422.11G93/657.

The Chargé d'Affaires of Ecuador to the Secretary of State.

No. 327] LEGATION OF ECUADOR,
Washington, June 20, 1913.

SIR: Confirming the conferences with your excellency with regard to the appointment of the new Arbiter to decide with the Ecuadorean Arbiter the controversies pending between the Government of Ecuador and the Guayaquil and Quito Railway Company, I have the honor to inform your excellency that my Government has accepted without reservations the appointment of Judge A. L. Miller, and it is perfectly understood that the finding of the American and Ecuadorean Arbiters will be considered by my Government as final.

I avail [etc.]

S. S. WITHER Y S.

NOTE.—On July 1 a conference was held at the Department of State at which the Department, the Government of Ecuador (by its Chargé d'Affaires and counsel), and the Railway Company were

[1] File No. 422.11G93/622.

all represented. At this conference a memorandum of agreement relating to the scope and procedure of the arbitration was concurred in by all the parties, though not formally signed. The text will be found as the inclosure to the Department's instruction No. 5, of November 14, 1913.

File No. 422.11G93/682.

The Minister of Ecuador to the Secretary of State.

LEGATION OF ECUADOR,
Washington, August 8, 1913.

SIR: It is highly satisfactory to me to confirm all that I had the honor to state to you verbally this morning at the conference in presence of Mr. Moore about the causes on account of which the Tribunal Arbitral, which must investigate and settle every controversy between the Government of Ecuador and the Guayaquil and Quito Railway Company, has not yet been organized. Omitting here the reasons on which I based my remarks, I stated to you:

That my Government had never believed any protocol or arrangement to be necessary previous to the organization and exercise of its functions by the Tribunal Arbitral;

That according to the constitution and laws of Ecuador, all conventions with another Government, no matter by what name they may be designated, are subject to the approval of Congress and to a long proceeding;

That my Government is very solicitous that the Tribunal Arbitral be organized as soon as possible, because every delay redounds to the prejudice of its interests and to the benefit of the Railway Company which administers and exploits the railroad from Guayaquil to Quito and uses its revenues arbitrarily as if it were the owner, sole and absolute;

That it desires, consequently, that the Honorable Judge A. L. Miller, the Arbiter named by President Wilson in conformity to the contract of June 14, 1897, may go as soon as possible to exercise his office in Ecuador;

That it is completely certain that the Arbiters will not have the least inconvienience on the part of the Government of Ecuador in the performance of their work, but on the contrary, every support and facility which are in its hands to give to them;

That now that the Arbiters are already named, they need do nothing except to present themselves at Quito and take possession of their office before the proper Ecuadorean judge;

That by virtue of this act they will become a Tribunal Arbitral independent of every authority or court of Ecuador or the United States;

That the Arbiters are Amigables Componedores and are not obligated to apply the laws of any nation to reach a decision, and must be inspired only by the dictates of justice and equity according to their conscience and best knowledge and judgment, taking as their basis the antecedents of the case;

That they are likewise competent to determine the form of the judgment, which will have to be final, according to what they shall

deem convenient to know the controversies and the establishment of the truth. [Sic.]

That, in a word, they are invested with the most ample powers to settle whatever questions the contending parties may submit to them in accordance with the stipulation the contract [sic] of June 14, 1897.

That in the case of judges of the antecedents and character of Messrs. Miller and Baquerizo Moreno it is to be expected that, as soon as they meet and take possession of their office, they will commence to fulfill their mission, themselves removing and settling every doubt, difficulty or disagreement which may be presented to them, upon every point concerning the judgment, for which purpose they have sufficient power and authority.

And as consequence of what I have said, I conclude by expressing the security which my Government feels, that Judge Miller will not have any reason to postpone longer his trip to Quito. And the same security I again express in this note of confirmation which I finish by reaffirming to you the sentiments of my most distinguishing consideration.

I have [etc.]

G. S. Córdova.

File No. 422.11G93/680a.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

Department of State,
Washington, August 13, 1913.

On July 1 the Chargé d'Affaires of Ecuador and officials of the Department, in the presence of attorneys of Ecuador and of the Railway Company, agreed upon a draft of a protocol for arbitration of the case of the Railway Company. The Department understood that the substance of this draft would be cabled to Quito and that the Chargé would be promptly authorized to sign. After more than a month had elapsed, desirous of learning the cause of this delay, the Department requested the Minister of Ecuador to call. Doctor Córdova came on August 8 and made a statement which on the same day he embodied in a formal note, which states that his Government believes a protocol to be unnecessary and if made would have to be submitted to the Congress of Ecuador, which would cause great delay; and that if the Arbitrators should enter upon their duties immediately, they would be given every support and facility. The note accepts the following positions: (1) After entering upon their duties before the proper Ecuadorean judge, the Arbitrators would, by virtue of that act, "become a Tribunal Arbitral independent of every authority or court of Ecuador or the United States." (2) They would act as amiables compositeurs, "not obligated to apply the laws of any nation in order to reach a decision" but "must be inspired only by the dictates of justice and equity according to their conscience and best knowledge and judgment, taking as their basis the antecedents of the case." (3) Their judgment should be "final."

These conditions embrace the essential points which the protocol was intended to cover, namely: (1) The Arbitrators' independence of local law and procedure. (2) Their power to determine the principles applicable to the decision of the various questions involved. (3) The finality of their award, which necessarily means that it is not subject to review by the Ecuadorean courts.

You will communicate the entire substance of this telegram to the Government of Ecuador and request its immediate confirmation of the understanding set forth.

BRYAN.

File No. 422.11G93/682.

The Secretary of State to the Minister of Ecuador.

DEPARTMENT OF STATE,
Washington, August 27, 1913.

SIR: Referring to your note of the 8th instant in relation to the arbitration of the case of the Guayaquil and Quito Railway Company, I have the honor to state that, in order to avoid delay, the Department cabled the substance of your note to the Minister of the United States at Quito with instructions to communicate the substance of our understanding to the Ecuadorean Government and request its immediate confirmation of our concurring views on the points set forth.

The Department has received in reply a telegram [1] from the Minister of the United States at Quito in which it is stated that the President of Ecuador declines to make any response until he shall have received from you a report which your Government has instructed you to transmit.

As the delays that have taken place are very considerable and as you pointed out that your Government was very desirous to avoid further delay, I have the honor to suggest that the interest of the parties concerned might be promoted if you would be so good as to telegraph to your Government, confirming the statement made through our Minister at Quito of the points on which we reached an understanding. These points being as follows:

First, that the Arbitrators, after entering upon their duties before the proper Ecuadorean judge, would, by virtue of this act, become a tribunal arbitral independent of every authority or court of Ecuador or the United States;

Secondly, that the Arbitrators would act as amiables compositeurs, that they would not be obligated to apply the laws of any nation to reach a decision but must be inspired only by the dictates of justice and equity according to their conscience and best knowledge and judgment, taking as their bases the antecedents of the case; and

Thirdly, that their judgments should be final.

In communicating these points of agreement to your Government, our Minister, under instructions of the Department, stated that the conditions set forth embraced the essential points which the protocol was intended to cover, namely:

First, the Arbitrators' independence of local law and procedure in the conduct of the arbitration;

[1] Not printed.

Secondly, their power to determine the principles applicable to the decision of the various questions involved in the case; and

Thirdly, the finality of their work, which necessarily means that it is not subject to review by the Ecuadorean courts.

In view of what you stated in your interview at the Department on the 8th instant, as to the deep and substantial interest which your Government felt in the prompt resumption and speedy completion of the arbitration, the Department does not doubt that you will cooperate with it in everything that may tend to enable your Government promptly to proceed with the arbitration.

Accept [etc.]

For the Secretary of State:
J. B. MOORE.

File No. 422.11G93/688.

The American Minister to the Secretary of State.

No. 31.] AMERICAN LEGATION,
Quito, September 14, 1913.

SIR: I have the honor to enclose copies and translations of the note which I received from the Minister for Foreign Affairs, quoting the text of Mr. Córdova's note to the Secretary of State concerning the proposed organization of the Arbitral Tribunal without the necessity of a protocol and its scope and powers.

I desire to express my doubts about the results of an arbitral tribunal formed in such a way that the Ecuadorean Government can be practically sure of escaping any unpleasant obligations.

I have [etc.]

MONTGOMERY SCHUYLER, JR.

[Inclosure—Translation.]

The Minister for Foreign Affairs to the American Minister.

No. 473.] MINISTRY FOR FOREIGN RELATIONS,
Quito, September 12, 1913.

MR. MINISTER: On the 14th of August last, your excellency was kind enough to address to me a note asking me to confirm what our Minister Plenipotentiary in Washington had given to the Secretary of State of the United States, in the conference held between those two officials on the 8th of the same month, concerning the Tribunal of Arbitration which is to concern itself with the settlement of the difficulties which have arisen between the Government of Ecuador and the Guayaquil & Quito Railway Company.

As, on one hand, in order to reply to your excellency there was necessary to me the detailed report of our Legation in Washington, and, on the other hand, it is the function of the Ministry of the Interior, Section of Public Works, to approve the report of our Minister, as it is a question which has no diplomatic character whatever, I am only today in a position to give a definite reply to your excellency, in the following terms:

The Minister of Ecuador in Washington gave the Department of State, in the above-mentioned conference, the facts, which he immediately confirmed in writing, in this form: [quotes the Minister's note of August 8; see ante.]

The Minister of Public Works has found no objection to the preceding statements, which are in accordance with the legal prescriptions of the case.

I avail [etc.]

LUIS N. DILLON.

File No. 422.11G93/696.

The Minister of Ecuador to the Secretary of State.

[Telegram.]

NEW YORK, *October 28, 1913.*

At our interview of the 14th I assured Mr. Moore that the phrase "juicio final" used in my note of August 8 meant unappealable judgment. I received yesterday from my Government a cablegram that says:

Congress empowers Executive to accept unappealable award.

Every difficulty being removed, I expect of your excellency's justice that you will deign to direct that Judge Miller perform the duties of the office he has accepted.

MINISTER OF ECUADOR.

File No. 422.11G93.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Quito, October 28, 1913.

Congress has authorized the President to enter upon an agreement with the Railway Company specifying the questions to be considered and determined by the Arbitral Tribunal. This agreement will stipulate that the arbitral decision shall be final. Because of the expected early arrival of the American Arbitrator, I have called the attention of the Minister for Foreign Affairs and the Railway Company to the importance of completing the authorized agreement as soon as possible.

HARTMAN.

File No. 422.11G93/696.

The Acting Secretary of State to the Minister of Ecuador.

DEPARTMENT OF STATE,
Washington, October 30, 1913.

SIR: I have the honor to acknowledge the receipt of your telegram of the 28th instant in which, referring to the assurance which you had previously given that the phrase "juicio final" meant an unappealable judgment, you state that you have received from your Government a cablegram reading as follows: "Congress empowers Executive to accept unappealable award."

You are so good as to suggest that in view of the assurances which have been given, Judge Miller may be requested to proceed with the performance of his duties as arbitrator.

It gives me pleasure to advise you that the Department is writing to Judge Miller and requesting him to proceed to Ecuador at his earliest convenience.

Accept [etc.]

J. B. MOORE.

File No. 422.11G93/696.

The Acting Secretary of State to the American Arbitrator, the Honorable Alexander L. Miller.

DEPARTMENT OF STATE,
Washington, October 30, 1913.

SIR: I beg leave to enclose herewith a copy of a note of the 12th ultimo[1] from the Minister of Foreign Relations of Ecuador to the American Minister at Quito in relation to the Arbitration of the case of the Guayaquil & Quito Railway Company.

This note, as you will observe, incorporates textually the note previously addressed to this Department by Dr. Córdova, the Ecuadorean Minister at this capital, in which he confirmed certain assurances which he had on the same day given to the Department orally as to the powers of the arbitrators, their independence of Ecuadorean law, and the finality of their award.

On the 14th of the present month Dr. Córdova called at the Department and discussed with the Counselor the import of certain assurances given that the award was to be "final." The Department is now in receipt of a telegram from Dr. Córdova reading as follows: [the text of the Minister's telegram of October 28.]

In view of the assurance given in the note of the Ecuadorean Government and of the explanation made in the telegram of its Minister quoted above, I beg leave to advise you that the Department desires that the arbitration may be begun at the earliest practicable day. The Department will be glad to be advised, preferably by telegraph, of the date at which you may find it practicable to sail for Ecuador.

It is proper to add that the officials of the Railway Company have been advised of the situation and are desirous that the arbitration shall proceed.

I am [etc.]

J. B. MOORE.

File No. 422.11G93/698.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Quito, November 7, 1913.

I informed the President of Ecuador to-day of the probable early departure of Judge Miller for Ecuador, and suggested to him the advisability executing a preliminary agreement between the Ecuadorean Government and the Railway Company, specifically stating the points of disagreement to be submitted to the Board of Arbitration, so that its labors would be greatly expedited. He said that such an agreement would not be necessary, as a memorandum agreement to the same effect had been signed by the Secretary of State at Washington and the Ecuadorean Minister during the past summer. No such paper is in the files of this Legation.[2]

HARTMAN.

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[1] Inclosure in the American Minister's despatch of September 14.
[2] But see Department's August 13 to the American Minister.

File No. 422.11G93/699a.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, November 8, 1913.

The American Arbitrator, Judge A. L. Miller, notice of whose appointment has heretofore been communicated[1] to the Government of Ecuador, expects to sail for Ecuador November 29. You will advise the Government and inquire whether, upon the arrival of Judge Miller, the Ecuadorean Arbitrator will be ready to proceed with the arbitration.

BRYAN.

File No. 422.11G93/698.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, November 11, 1913.

The President of Ecuador is correct in his statement that a memorandum was agreed upon in Washington last summer. This was done at a conference on July 1 at which the Department, the Government of Ecuador, and the Railway Company were all represented, Ecuador by her Chargé d'Affaires, Dr. Wither, and by her counsel. The memorandum, although it was not formally signed, embodied the views of and was concurred in by all the interested parties, and the Department is pleased to learn that his Excellency the President of Ecuador has confirmed this fact. A copy of the memorandum will be sent to you by the next mail.

BRYAN.

File No. 422.11G93/698.

The Secretary of State to the American Minister.

No. 5.] DEPARTMENT OF STATE,
Washington, November 14, 1913.

SIR: With reference to your telegram of November 7, and the Department's telegram of November 11, the Department sends you herewith, for your information, a copy of the note of agreement, dated July 1, 1913, entered into at a conference held at the Department of State, at which the Department, the Government of Ecuador and the Railway Company were all represented.

I am [etc.]

For the Secretary of State:
J. B. MOORE.

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[1] Not printed.

[Inclosure.]

WHEREAS by a contract between the Government of Ecuador and the Guayaquil and Quito Railway Company, signed on June 14, 1897, and duly approved by the National Assembly of Ecuador, it was provided as follows:

Article 27. All controversies or disagreements that may arise between the contracting parties, shall be settled by arbitration, one arbiter shall be the President of the United States of America, and the other shall be the President of Ecuador; should they not wish to act, they will each name an arbiter, and should these not agree, then the said President of the United States of America and the President of Ecuador will name a third arbiter to decide the question.

And, WHEREAS, by an award rendered under said article on November 24, 1908, by arbitrators duly appointed by the President of the United States of America and the President of Ecuador, all controversies and disagreements that had arisen between the contracting parties up to the date of said award were definitely settled:

The Government of the United States and the Government of Ecuador agree that all controversies and disagreements that have arisen since the date of the award, and particularly all controversies and disagreements as to the performance or fulfillment of the terms of said award, are referred to arbitration under Article 27 above mentioned and shall be definitely settled in conformity with said Article.

The Government of the United States and the Government of Ecuador further agree as follows:

1. The Tribunal shall be organized by the filing in its office, at Quito, on August 1, 1913, of a solemn declaration, in triplicate, by the Arbitrators, that they will impartially and carefully examine and decide, to the best of their judgment and according to public law, justice and equity, without fear, favor or affection to either party, upon all claims that shall be laid before them for their decision on the part of the parties to the arbitration and such declaration shall be entered on the record of their proceedings.

The Arbitrators shall meet in Quito on September 15, 1913, and shall proceed to the disposition of the business before the Tribunal.

The provisions of this section, except as to dates and place of meeting, shall apply to the third arbitrator, should one be named.

2. The proceedings of the Tribunal shall be conducted both in English and in Spanish.

3. Each party may name in writing an agent and not more than two counsel to present and support its claims before the Tribunal, to answer claims made upon it and in general to represent it in all matters connected with the investigation and decision of the said claims.

4. Each arbitrator shall appoint a secretary versed both in English and in Spanish to assist him in the transaction of the business of the Tribunal. The secretaries shall make and subscribe a solemn declaration that they will faithfully and carefully discharge their duties.

5. The secretaries shall each keep duplicate records of the proceedings of each session of the Tribunal, in English and in Spanish, so that one copy in each language may be supplied to each party. Said records shall be read at the next meeting of the Tribunal, and, if no objection be made, or when corrected, if correction be needed, shall be approved and subscribed by the Arbitrators and countersubscribed by the secretaries.

6. The secretaries shall each keep a docket, entering therein, by date, all documents filed by either party, giving each a number, and shall endorse on each document the date of filing and the respective number.

7. The secretaries shall be the custodians of the documents and books of the Tribunal and shall keep the same safely and in methodical order. They shall afford every reasonable opportunity and facility to the Agents and Counsel of the respective parties to inspect and make extracts from documents and records, but shall permit none to be withdrawn from the files of the Tribunal, except by the written direction of the Arbitrators duly entered of record.

8. The secretaries shall keep a notice-book in which entries may be made by the Agent of either party and the entries when so made shall be notice to the opposing Agent and to all concerned.

9. All documents and records shall be considered confidential, and no one but the Agents and Counsel of the parties shall be permitted to inspect them, except by the written direction of the Arbitrators duly entered of record.

10. Within fifteen days from the organization of the Tribunal the parties shall serve upon each other a detailed statement in writing of their respective claims, and shall file with the Tribunal four copies thereof, two in English and two in Spanish. Claims not presented in this manner shall not be considered by the Arbitrators, but shall be deemed to be forever waived and barred.

11. Within fifteen days from the filing of the said claims the parties shall serve upon each other their answers thereto, and shall file with the Tribunal four copies thereof, two in English and two in Spanish.

12. Within ten days from the filing of the said answers the parties shall serve upon each other their replications thereto and shall file with the Tribunal four copies thereof, two in English and two in Spanish.

Any claims and allegations of either party not controverted by the other shall be deemed to have been admitted.

The claims and pleadings may be amended [so] as to form at any time before final submission to the Tribunal of all matters in dispute, upon written leave of the arbitrators duly entered of record. [Omission?]

13. Within ten days from the filing af the replications as provided in paragraph 12, each party shall present in writing to the Tribunal the evidence on which it intends to rely. When an original paper can not be produced, a certified copy thereof or a copy stipulated to be correct may be received in evidence in lieu of the original. Either party may call upon the other for the production of papers and documents.

14. Within ten days thereafter, each party shall have the right to present in writing evidence in rebuttal. The reception of evidence shall then be deemed to have been closed, unless the Tribunal shall request further proofs, in which case either party may be directed to produce documents or information in its possession, or the arbitrators may interrogate witnesses orally. The testimony of such witnesses shall, however, be taken down in writing, and either party shall be entitled to cross-examine any such witnesses.

15. The arbitrators shall investigate the claims before them upon the evidence furnished by the Agents of the respective parties and shall hear, if requested so to do, the Agent and one of Counsel on each side on each claim.

16. The award or awards of the arbitrators, and in the event of their disagreement the award or awards of the third arbitrator, shall be in writing and shall be final and conclusive, and of immediate obligation, and shall be payable at Quito in American gold with interest at the rate current in Ecuador from the date of maturity until payment.

17. The arbitrators shall render their award or awards within six months from the day on which their first meeting took place; but should they find themselves unable to conclude their labors within that time, they may take three months longer, notifying the parties of the fact.

18. Should a third arbitrator be named, the Arbitrators shall deliver to him, within twenty days after he has made and subscribed the solemn declaration required by section 1, all papers, documents and evidence relating to the claim or claims on which they were unable to agree. Within thirty days after his receipt of such papers, documents and evidence, he shall hear argument as prescribed in section 15, and within thirty days after the conclusion of the argument, he shall render his decision.

19. The Government of the United States shall pay the compensation of the Arbitrator named by the President of the United States, and the Government of Ecuador shall pay the compensation of the Arbitrator named by the President of Ecuador. In case it is necessary to name the third arbitrator, his compensation shall be paid jointly by the two Governments in equal proportions. All other expenses, including costs and fees, shall be paid as directed by the Arbitrators.

20. All matters relating to the proceedings of the arbitration not herein provided for shall be determined by the Arbitrators, to whom is reserved the right to make further rules as occasion may demand.

21. The proceedings of the Tribunal shall not be subject to the intervention of the courts of either country.

NOTE: It should be stipulated that Mr. A. Romo Leroux, who has been the local attorney for the Railway Company for a number of years and is familiar with its records and also with the laws of Ecuador, shall be allowed to return and act as one of the attorneys of the Railway Company in the arbitration, if the Railway Company shall so desire.

Form of Declaration by the Arbitrators.

The undersigned, Arbitrators respectively appointed by the President of the United States of America and the President of the Republic of Ecuador to decide the questions between the Government of Ecuador and the Guayaquil and Quito Railway Company under the protocol concluded on the day of , 1913, do solemnly declare that they will impartially and carefully examine and decide, to the best of their judgment and according to public law, justice and equity, without fear, favor or affection to either party, upon all claims that shall be laid before them for their decision on the part of the parties to the arbitration.

[Signatures.]

File No. 422.11G93/704.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Quito, November 17, 1913.

I am informed that upon the arrival of Judge Miller the Arbitrator appointed by the President of Ecuador will be ready to proceed with the arbitration.

HARTMAN.

File No. 422.11G93/706a.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, November 19, 1913.

The American Arbitrator and party expect to leave New York on the *Pastores* on November 29 and will telegraph you from Panama the date of arrival at Guayaquil. Kindly arrange with the Government to have a special train ready immediately to convey them from Guayaquil.

BRYAN.

File No. 422.11G93/710.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Quito, November 21, 1913.

The Government of Ecuador promptly agreed as to the propriety of furnishing a special train for Judge Miller and to supply it. I have expressed to the Minister for Foreign Affairs our Government's appreciation of their friendly attitude.

HARTMAN.

SANITATION OF GUAYAQUIL; DISCRIMINATION AGAINST AMERICAN BIDDERS; AWARD OF CONTRACT TO A LONDON COMPANY.[1]

File No. 822.124/272.

The American Chargé d'Affaires to the Secretary of State.

No. 174.] AMERICAN LEGATION,
Quito, January 6, 1913.

SIR: I have the honor to report that Colonel W. C. Gorgas and the other members of the American Sanitary Commission, having completed their work in Ecuador, sailed for Panama on the steamer leaving Guayaquil December 24, 1912.

I have [etc.]

RUTHERFURD BINGHAM.

File No. 822.124/276.

The Secretary of War to the Secretary of State.

WAR DEPARTMENT,
Washington, March 1, 1913.

MY DEAR MR. SECRETARY: I have the honor to transmit to you herewith the report of Colonel W. C. Gorgas[2] in regard to sanitary conditions at Guayaquil, Ecuador.

Very sincerely yours,

HENRY L. STIMSON.

[Inclosure—Summary.[3]]

SUMMARY OF COLONEL GORGAS' REPORT REGARDING THE SANITATION OF GUAYAQUIL.

Colonel William C. Gorgas, accompanied by a sanitary commission of three other members consisting of Major Noble, and Messrs. Prince and McGuigan, was in Ecuador from December 8th to 24th, 1912, for the purpose of studying the sanitary conditions in that city and reporting what measures would be necessary to eliminate yellow fever and bubonic plague from that port, together with an estimate of the cost. Colonel Gorgas stated in his report that it was the opinion of the commission that Guayaquil could be freed from these two diseases and also from a great deal of the typhoid and intestinal diseases there prevalent at a cost of about $9,200,000, gold. The measures necessary to attain this end are as follows:

1. Appointment of a suitably qualified health officer to have control of all matters of health in the Republic, including particularly the sanitary police of the city of Guayaquil. It is essential that this officer have the cooperation of all the other authorities in the country, otherwise his work will be greatly hampered and he would partially fail, as happened to Dr. Lloyd in 1909.

2. Providing a suitable and sufficient water supply for the city, which will permit the removal of all cisterns and tanks, which are the breeding-places of the stegomya yellow-fever mosquito. At the present time the water supply is so limited that it is only turned into the mains for four hours out of the twenty-four.

3. A complete system of paving and sewerage, primarily intended to eliminate pools of water which might form breeding places for mosquitos. This would entail a proper system of garbage collection, which would be under the direct supervision of the health officer above mentioned.

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[1] Continued from For. Rel. 1912, pp. 422–434.
[2] The report is dated at Ancon, Canal Zone, January 9, 1913.
[3] This summary was made in the Division of Latin-American Affairs, Department of State, Nov. 11, 1913. (File No. 822.124/276.)

4. Building the plague-carrying rats out of existence by putting in cement floors and sills in all the buildings, doing away with the present system of double walls and eliminating the gutters, etc., from the roofs of the houses.

The above measures should be carried out gradually, and Colonel Gorgas estimates that several years will be necessary to effectively sanitate the city.

About $150,000, gold, annually will pay the expenses of the expert employees needed during this period.

Colonel Gorgas further considers that the sanitary organization as at present existing in Guayaquil can be utilized, and changes made gradually therein as occasion therefor may arise.

File No. 822.124/279.

The Secretary of State to the American Chargé d'Affaires.

No. 69.] DEPARTMENT OF STATE,
Washington, April 5, 1913.

SIR: The Department encloses herewith, in duplicate, a letter dated March 18, 1913, addressed to the President of the Republic of Ecuador by Colonel W. C. Gorgas, U. S. Army, enclosing accounts in detail covering the expenditure of certain funds furnished by the Ecuadorean Government for the purpose of making sanitary surveys at the port of Guayaquil. The accounts referred to by Colonel Gorgas in this letter are also transmitted herewith in duplicate, together with his check No. A[A] 678524 on El Banco Comercial y Agrícola, Guayaquil, for the unexpended balance of $ 9298.90 in favor of the Treasurer General of the Republic of Ecuador.

You are directed to present these accounts and Colonel Gorgas' check in person to the President of Ecuador. The Department has expressed to the War Department its gratification at the manner in which Colonel Gorgas has fulfilled his mission, and at the fact that he expended less than half of the amount of money set aside by the Government of Ecuador for this purpose.

In presenting the check and accounts to the President you may, in your discretion, say that you believe it would have a most favorable effect upon relations between the United States and Ecuador if he would make public the object of your visit and the fact that Colonel Gorgas had returned more than half of the money placed to his credit by the Government of Ecuador.

I am [etc.]

For Mr. Bryan:
ALVEY A. ADEE.

[Inclosure.]

Colonel W. C. Gorgas, U. S. A., to the President of Ecuador.

ISTHMIAN CANAL COMMISSION,
Ancon, C. Z., March 18, 1913.

SIR: I herewith enclose accounts in detail covering the expenditure of certain funds furnished by the Ecuadorean Government for the purpose of making certain sanitary surveys at the port of Guayaquil, Ecuador.

The sum turned over to me by the Government of Ecuador was sixteen thousand eight hundred seven and fifty-hundredths sucres (S/16.807.50). Of this sum I expended seven thousand five hundred eight and sixty-hundredths sucres (S/7508.60), which expenditures are covered by enclosed vouchers, leaving a

balance of nine thousand two hundred ninety-eight and ninety-hundredths sucres (S/9298.90).

I enclose check No. 678524 on the Banco Comercial y Agrícola, Guayaquil, where the money was originally deposited, for the balance of S/9298.90, in favor of the Treasurer General of the Republic of Ecuador.

Very respectfully,

W. C. GORGAS.

File No. 822.124/283.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Quito, May 24, 1913.

A crisis is approaching in the foreign loan negotiations and attending contracts for the sanitation of Guayaquil, which will not be awarded by competition but in a manner to best subserve local politics. Foreign firms are actively endeavoring to furnish loan and obtain contracts, as well as at least one American. It is practically certain that no American can hope for success, unless strong representations be speedily made to the effect that giving this matter to any but an American firm will be considered by the Government of the United States as unfriendly. America is known to be the most advanced nation in tropical sanitation, and the American firm competing has secured the refusal of Colonel Gorgas's services as adviser.

I beg to be instructed to urge this matter upon the Ecuadorean Government.

SCHUYLER.

File No. 822.124/283.

The Secretary of State to the American Minister

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, June 26, 1913.

Americans should not be excluded from work of sanitation, especially after Ecuador invited the Isthmian Canal Commission to make report on the work which Colonel Gorgas made. Use your best efforts to secure for Americans opportunity to obtain contract. Give names of American firms bidding.

BRYAN.

File No. 822.124/292.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Quito, July 1, 1913.

Americans will be given opportunity to obtain Guayaquil contract. Only American firm now competing is MacArthur Bros., New York.

Government desires firm to take bonds at a prearranged price, but firm wishes to sell bonds in open market and credit proceeds without previously fixing price.

SCHUYLER.

File No. 822.124/302.

The American Minister to the Secretary of State.

No. 15.] AMERICAN LEGATION,
Quito, July 19, 1913.

SIR: Referring to recent telegrams exchanged between the Legation and the Department concerning the contract for the sanitation of Guayaquil, I have the honor to inclose copies and translations of a letter written by the president of the committee in Guayaquil having charge of the awarding of the contract.

In view of the extraordinary wording of this letter, I have brought it to the attention of the President and the Minister for Foreign Affairs with the statement that it would, if allowed to pass without protest, constitute a serious discrimination against the American firm interested in obtaining the contract, which discrimination I was sure was far from being the desire of the Ecuadorean Government.

The Minister for Foreign Affairs informed me yesterday that the Government had telegraphed to Guayaquil to inquire into this matter and that he could assure me that no discrimination whatever was intended against American interests. He also stated that the President of the Republic had decided to leave the matter of the awarding of the contract entirely in the hands of the Guayaquil committee, but that he personally thought that it would be unlikely that the committee would itself decide so important a matter without referring it to the Congress, which is to meet on August 10.

I may add that there is great anti-American feeling in Guayaquil and that efforts will certainly be made by the interests there to defeat the awarding of any important contract to American interests unless the Government of the United States takes a very firm and active position in the case.

I know of no other American firm at present except MacArthur Bros., of New York, which is trying to obtain the contract.

I have [etc.]

MONTGOMERY SCHUYLER, JR.

[Inclosure—Translation.]

Mr. Illingworth to Mr. Brooks.

PRESIDENCY OF THE
COMMITTEE ON SEWERAGE AND WATER SUPPLY.
Guayaquil, July 11, 1913.

In the session of this date I have brought to the attention of the committee over which I preside the proposal which you, in the name of MacArthur Bros., of New York, sent me dated June 19. The committee directs me to tell you that as it is treating with other European firms, which before you have spoken of contracts for the sanitation of this city, it is not possible for the moment to

consider your proposal. However, if no definite arrangement is concluded with the other firms, it would have much pleasure in taking into consideration your proposal, in which event you will be duly communicated with.

Yours, etc.,

JUAN ILLINGWORTH,
President of the United Committees of Sewerage and Water Supply.

File No. 822.124/299.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Quito, July 31, 1913.

The Congress, which opens August 10, will probably award Guayaquil contract. It might be well for the Department to find out if MacArthur Bros. are in earnest. If so a representative should be sent immediately or the local representative be given full powers to negotiate and sign contract. This firm is the only entirely American house interested.

SCHUYLER.

File No. 822.124/301.

The American Minister to the Secretary of State.

[Telegram—Extract.]

AMERICAN LEGATION,
Quito, August 6, 1913.

I learn from a reliable source that MacArthur bid, which is on a commission basis, is the most acceptable received, but is not being considered, as firm is American. The majority of the people of Guayaquil do not want any sanitation, which they believe would open the door to foreign trade competition.

SCHUYLER.

File No. 822.124/302.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, August 14, 1913.

Your action, reported in your despatch No. 15, of July 19, in bringing Illingworth's letter to the attention of President Plaza, is approved.

The Department understands from the Minister of Ecuador that the matter of awarding the contract has been taken out of the hands of the Guayaquil committee and the Congress called on to decide whether the President or a new and smaller committee shall have that authority. The Minister's opinion is that an award will not be made for three months. Telegraph whether the Minister's statements are accurate and do all in your power to procure consideration for proposal of MacArthur's or of any other Americans who may bid.

Did companies mentioned by Illingworth bid before MacArthur, and has the committee or the Congress yet issued any comprehensive plan or specifications for the work? If not, can not this be arranged so Americans may have an opportuity, by making a bid on a competitive basis, to prove their ability to execute the work economically and scientifically?

BRYAN.

File No. 822.124/303.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Quito, August 18, 1913.

The Government knows nothing of changes referred to by Ecuadorean Minister. The matter has not been brought before Congress. Companies mentioned bid about the time MacArthur. All bids must be made blindly, as there is no contractor capable of preparing intelligent plan. Economy or ability of Americans will not affect the award. I have received from the Minister for Foreign Affairs a reply to my protest, saying that nothing further will be done until the special commissioner now in Europe seeking bids returns.

SCHUYLER.

File No. 822.124/309.

The American Minister to the Secretary of State.

[Extract.]

No. 26.] AMERICAN LEGATION,
Quito, August 30, 1913.

SIR: Referring to previous correspondence regarding the contract for the sanitation of Guayaquil, I now have the honor of transmitting further correspondence between this Legation and the Minister for Foreign Affairs on this subject. * * *

When I first began to look into this matter there seemed to be at least a fair chance of our getting it, but things have been going steadily worse for some time and Ecuadoreans of responsible position have become more outspoken against us in this than formerly.

The firm of J. G. White & Co. is endeavoring to obtain the contract and, in order to avoid the anti-American feeling, is working through its London house. The local representative of MacArthur Bros., Mr. E. C. Brooks, informs me that the firm does not reply to him and that it has never yet approved the bid he made in its name although there has been plenty of time for such reply and approval. MacArthur Bros., therefore, will have no one to blame but themselves if they fail to obtain the contract. This Legation has been taking all possible steps to remove the anti-American feeling and to get the work for any reputable American concern which might desire to compete, but it is naturally quite impossible for it to overcome the indifference or neglect of the firms themselves. It will

continue during the time I am here to forward in every proper way American interests in this as in other matters.

Finally, however, I should add my profound conviction that no American firm, however much it may desire this work, has the slightest chance of success on a business basis. It is acknowledged here that we are the most advanced nation in tropical sanitation and that we could do the work both economically and efficiently; but any American bids will be thrown out probably.

I have [etc.]

MONTGOMERY SCHUYLER, JR.

[Inclosure 1—Translation.]

The Minister for Foreign Affairs to the American Minister.

No. 419.] REPUBLIC OF ECUADOR,
MINISTRY OF FOREIGN AFFAIRS,
Quito, August 14, 1913.

MR. MINISTER: In answering with my note No. 378, of July 25 last, the one which your excellency was pleased to send me under the number 17, of the 16th of the same month, I informed you that I had transcribed to the Ministry of the Interior your above-mentioned note to obtain the explanations relative to the answer given by the committee on water supply of Guayaquil to the proposal of the American firm Max Brooks & [*sic;* should be MacArthur Bros.].

To-day I have received from the said Ministry note No. 619, dated on the 9th of the present month, in which are given the desired explanations, in virtue of which I take pleasure in transcribing it to your excellency. It says:

MR. MINISTER FOR FOREIGN RELATIONS: I answer your note No. 1251, of the 25th of last month, in which you transcribed to me the note of the minister of the United States of North America calling your attention to and at the same time asking that there be brought to the attention of the Chief of the State the answer which the committee of water supply of Guayaquil gave to Mr. Brooks, an answer which the minister calls extraordinary because, as he says, the above-mentioned committee does not take into any consideration the proposal of the American firm Max Brooks [MacArthur Bros.] except in the event that all European bids are found to be unsatisfactory. The minister believes that this would place the American firm in a bad position and would constitute a real discrimination against the United States.

In the letter of the committee above referred to, to which the minister of the United States of North America refers, there is no phrase which can be interpreted correctly as meaning that that committee considered postponing the proposal of Mr. Brooks because it was made by an American citizen or that it would be taken into consideration only if none of the European bids were satisfactory. In that note it is expressed with clearness that, before the proposal of Mr. Brooks was presented to the committee, that body had begun negotiations with European companies for the sanitation of Guayaquil, and this proceeding imposed on the committee the duty in seriousness and honesty of not opening negotiations with any other person, whether European or American, while the negotiations already begun had not been terminated. The committee sent to Europe a commissioner, and he has labored conscientiously and obtained various proposals and projects, even getting almost contracts ad referendum. And this being so, it was natural and logical that the committee should have resolved, as it did, not to take up the study of any proposition until it should have learned the exact results of the mission of the commissioner, whose return is to be very soon, as is believed. These are the reasons which the committee of canalization of Guayaquil gave, and I will add to them that such a proceeding of the committee has not injured anyone in any way, since, taking into consideration the above-mentioned facts, our laws and that of every civilized nation declare the liberty of contracting without the exercise of this right being considered as injurious to the rights of others. God and liberty.

MODESTO A. PEÑAHERRERA.

I avail [etc.]

LUIS N. DILLON.

[Inclosure 2.]

The American Minister to the Minister for Foreign Affairs.

No. 25.] AMERICAN LEGATION.
Quito, August 18, 1913.

MR. MINISTER: I have the honor to refer to your excellency's note, No. 419, of August 14, which contained the text of a communication to the Ministry under your charge from the Ministry of the Interior relative to the bid for the sani-

tation of Guayaquil of Mr. E. C. Brooks, in the name of the firm of MacArthur Bros. of New York (not the firm of Max Brooks &, as your excellency's note has the name by mistake). The communication of the Ministry of the Interior fully approves the answer of the president of the Junta de Agua Potable de Guayaquil to Mr. Brooks stating that no consideration would be given to his bid until all European bids were found to be unsatisfactory, thus constituting a real discrimination against American interests.

Before sending that note to my Government, I must request your excellency to be good enough to inform me whether that reply is to be considered as the official answer of the Ecuadorean Government in this matter or merely as the opinion of the Minister of the Interior.

I avail [etc.]

MONTGOMERY SCHUYLER.

[Inclosure 3—Translation.]

The Minister for Foreign Affairs to the American Minister.

No. 436.] MINISTRY FOR FOREIGN AFFAIRS,
Quito, August 23, 1913.

MR. MINISTER: I have the honor of answering the note of your excellency, No. 25, dated the 18th of the present month, in which you acknowledged the receipt of mine marked with the number 419, which contained the text of a communication from the Minister of the Interior relating to the proposal made by Mr. E. C. Brooks, in the name of the firm of Max Arthur Bros. [*sic;* should be MacArthur Bros.] of New York.

Your excellency says that that communication of the Minister of the Interior approves in all its parts the answer given by the president of the committee of water supply of Guayaquil to Mr. Brooks, confirming that his proposal would not be taken into consideration until it appears that the European proposals are not satisfactory, which amounts to establishing a real discrimination against American interests.

I permit myself to believe, Mr. Minister, that the note of the Minister of the Interior in question has not been properly interpreted by your excellency, since if it is true that there can be seen in it a tacit approbation of the answer of the president of the committee on water supply of Guayaquil, it itself explains in a very clear manner the reasons which the president of the committee had in not taking into consideration the proposal of Mr. Brooks and among these reasons there is none which can be interpreted as an injurious preference against American interests.

Regarding the request which your excellency makes as to informing you whether the answer of the Minister of the Interior should be considered as an official answer of the Ecuadorean Government, I beg to explain to your excellency that my Government does not consider it proper to give an official answer to this matter, which belongs solely and exclusively to the committee of water supply of Guayaquil. On account of the great consideration which your excellency deserves and out of deference to you, I transmitted to the Minister of the Interior your kind note, number 17, of the 16th of July last, with the object of obtaining the explanations which your excellency desired, and when I obtained them and communicated them to your excellency I believed that I had fulfilled the object which I proposed to myself.

I avail [etc.]

LUIS N. DILLON.

File No. 822.124/332.

Historical summary prepared in the Division of Latin-American Affairs of the Department of State.

BRIEF HISTORY.

Previous to 1906 General Alfaro, then President of Ecuador, wrote to Mr. Magoon, then Governor of the Canal Zone, concerning the

sanitary needs of the port of Guayaquil. The President of Ecuador saw the advisability and the necessity of securing the cooperation of foreign sanitary experts if the port of Guayaquil was to be rid of the bubonic plague and yellow fever then prevalent.

As a result of several conferences at the Department of State between Secretary Root and the Ecuadorean Minister at Washington, it was decided that the Government of the United States would send the Governor of the Canal Zone and the chief sanitary officer of the Canal Zone, upon invitation of the Government of Ecuador, to confer with the authorities of the municipality of Guayaquil. However, the appearance of opposition in the Province of Guayas and the city of Guayaquil to American assistance of this kind made it advisable to postpone it for the moment.

During the latter part of 1906 and the first months of 1907 a conference was held on the Isthmus between the Minister for Foreign Affairs of Panama, the Ecuadorean Minister at Washington, American Minister Squires, and Colonel Gorgas, out of which grew a draft sanitary convention between Ecuador and Panama the real purpose of which appears in a clause in which Panama agrees to supply Ecuador with one of her sanitary officers to inaugurate a hygienic system similar to that established at Panama.

In spite of strenuous endeavors and for reasons which it is not necessary here to enumerate, and although the interest of this Government in the matter had not relaxed, for a period no practical opportunity presented itself to proceed in the direction pointed out by the policies of the Government of the United States.

In 1908 the President of Ecuador asked that the necessary authorization be given to enable Dr. Lloyd, then stationed at Guayaquil in the Public Health and Marine-Hospital Service, to assist in the struggle against the unhealthy conditions of Guayaquil. Dr. Lloyd in consequence rendered most valuable service during the short period he enjoyed a certain administrative authority at Guayaquil, but, owing to primitive local conditions and consequent lack of sympathy and cooperation, particularly of the Guayaquil medical profession, he found it necessary to give up the task; however, not without having framed a very comprehensive and effective body of sanitary regulations on the basis of this experience.

Since the fall of 1909 the direction of the sanitary service of Guayaquil has been under an Ecuadorean sanitary board which has not measured up to the task confronting it, as both yellow fever and bubonic plague continued to prevail in Guayaquil with undiminished force.

The importance which the War Department ascribed to this matter and which placed strongly before this Department the close relations thereof to the canal enterprise appears in correspondence. Two communications from the Secretary of War dated October 5, 1909, and April 6, 1910, respectively, contain expressions in this sense. The following is quoted from the former communication:

> Guayaquil is in direct and constant communication with Panama, and it is at present one of the very few ports in the world where yellow fever still lingers. The failure to eradicate this disease and plague is a constant menace to the Canal Zone, where the occurrence of either of these diseases would greatly complicate the work and increase its expense.

In the second letter referred to, the Secretary of War informed this Department that—

according to communications received and on file in this Department, the port of Guayaquil is in direct and constant communication with Panama, distant two days by water, and is at present one of the very few points in the world where yellow fever and bubonic plague still linger. The failure to eradicate these diseases is a constant menace to health conditions on the Canal Zone, where the occurrence of either would greatly complicate the work and increase its expense. * * * Against such conditions the remedy of a quarantine is costly, unsatisfactory, and inefficient; the only effective safeguard is to sanitate the focus of the disease.

The Secretary also suggested that recourse must be had to diplomatic channels to discover—

some plan whereby a system of sanitation as thorough as that on the Canal Zone and at Habana may be put into operation at the port of Guayaquil.

And further statement is made that—

until some such remedy is adopted the health of residents on the Canal Zone and, indeed, of the inhabitants of the seaboards of America will be constantly menaced by this center of infection.

During the summer of 1910 it was reported that Ecuador was desirous of parting with the possession of the Galapagos Islands and that a transfer of them to a non-American power was being discussed. As a consequence thereof, the Department found it necessary to inform Ecuador that this Government was prepared to consider an offer from Ecuador regarding these islands which should include the employment of a portion of the purchase price in the permanent proper sanitation of Guayaquil.

Soon after these negotiations had accomplished their purpose in the removal of immediate danger of this archipelago's passing to a non-American power, a French citizen, personally and through influential Ecuadorean representation, entered into an understanding with the Quito Government looking to the construction of certain municipal works which, it was alleged, were essential to the effectual sanitation of Guayaquil. From many sources reports reached the Department that this project, the so-called Coignet contract, would not only fail to accomplish sanitation but, in hypothecating the Ecuadorean revenues available for this purpose to provide for the excessively large loan thereunder, would almost exclude hope of real, permanent betterment in the future. In the light of these facts, and in harmony with the policy which had been consistently pursued with respect to the cleansing of the port of Guayaquil, occasion was availed of to impress upon the Ecuadorean Government the great concern of this Government in the condition of Guayaquil and the necessity of promptly finding some effective system to cure the evil.

In view of the fact that the world's great works of sanitation had been the result of governmental effort or supervision, and because of the practical lack of native experts, this Department took repeated occasion in communications with Ecuador to lay emphasis upon the necessity of foreign assistance and of a preliminary technical examination of the local situation. The Government of Ecuador was opportunely informed that the Government of the United States would be glad to lend its expert assistance so that any contract which might be subsequently entered into to do the work at Guayaquil would effectuate real and permanent sanitation.

The above-mentioned option obtained by M. Coignet regarding municipal improvements at Guayaquil expired on the 30th of last June.

Before and subsequent to the election of General Plaza, the present Chief Executive of Ecuador, this Government was formally and earnestly approached for aid in the matter of sanitation. The various proposals of the Ecuadorean Government looked to the carrying through of the work required, either directly by or under the supervision of United States officials.

The Ecuadorean Government has therefore become convinced, in consonance with the purpose which the course taken by the Department above indicated seemed to obey, that the proper sanitation of Guayaquil is of great mutual interest and that the United States is prepared to help Ecuador to formulate an adequate plan to obtain this end of common benefit.

During the year 1912 the Legation of the United States at Quito was frequently approached by appropriate officials of the Ecuadorean Government on the subject of the sanitation of Guayaquil. The Ecuadorean Government expressed the desire to enter into a convention that might enable the United States, through its sanitary officials, to take charge for several years of the administration at the port of Guayaquil pertaining to sanitation, and to place at the disposal of such officials funds which it was believed would be sufficient to support such an administration. It was not proposed, at the time the idea of a convention was broached in the month of February, 1912, by the Ecuadorean Government to include the execution of any work of construction, such as a water-supply system, sewerage, or the paving of the city, but had reference solely to the extinction of yellow fever and bubonic plague through the administration and police action of American officials placed temporarily in charge of local health department.[1]

A cursory study of the purpose of the Ecuadorean Government during the early months of 1912 brought conviction that insufficient guaranties of a practical nature, such as those assuring permanancy to a work with which the name of the United States would in this manner necessarily be connected, militated strongly against its serious consideration by this Government, and made its preliminary examination and recommendation by responsible sanitary experts a prerequisite to the determination of measures that would effectually meet the real needs of the situation.

It appeared that the solution of the sanitary problem of Guayaquil lay not merely in the enforcement of police sanitary regulations, however carefully prepared, but in a provision for an abundant water supply, the installation of sewerage and drainage systems, and possibly the general reform of building construction.

Reports had also reached the Department, as previously stated, that the contract which a French citizen, Coignet, was desirous of entering into with the Government of Ecuador was absolutely inadequate to accomplish sanitation, although the contract provided for an outlay of from eight to ten millions of dollars. It became more and more apparent that the Government should be placed in possession of data resulting from complete preliminary surveys, the

[1] For. Rel. 1912, p. 423.

preparation of tentative plans, and specifications showing what means would be accurately adapted to the end it was desired to attain.

The discussion between the Legation and the Ecuadorean Foreign Office regarding the sanitation of the port proceeded along general lines until the month of May, 1912, when the Ecuadorean Government presented a memorandum stating the views of that Government with reference to the sanitation of Guayaquil. A copy of the translation of this memorandum, dated May 6, 1912, is attached hereto [1] merely in the way of information.

With reference to this memorandum the Minister for Foreign Affairs of Ecuador in the month of July, 1912, expressed a desire that the complete work needed to bring about the sanitation of Guayaquil and its suburbs should be undertaken by the Government of the United States "without the intervention of any companies, contractors, or private speculators whatsoever." This Government was then invited to enter into a convention with the Government of Ecuador in accordance with the memorandum of May 6, to be submitted for approval to the following Ecuadorean Congress.[2]

In connection with this the Department of State found it necessary to instruct the Legation to point out the difficulties of the performance of the sanitary work by this Government and to emphasize the importance of awaiting the result of a preliminary examination of the infected region, which would supply accurate technical information then entirely lacking and which would make possible intelligent conversation with the Ecuadorean Government on the subject of a possible arrangement, under which expert assistance of the United States might be made effective in carrying out the actual work of sanitation of Guayaquil and the region in which it lies.

Accordingly, in the latter part of 1912 the Ecuadorean Government deposited $8,000 to the order of the American Legation in Quito for the payment of the expenses of a sanitary commission under the direction of Colonel Gorgas, which was to study and report upon the feasibility of the sanitation of the port of Guayaquil.[3] The commission arrived in Guayaquil in December, 1912,[4] and made a complete study of local conditions. It reported that no insuperable obstacles existed to the sanitation of this port and indicated what methods should be followed in order to carry it into effect. This included an expenditure of some ten million dollars for certain essentially necessary public improvements such as water supply, sewerage, and paving.

Only about one-half of the money available was expended by the commission and $4,000 were returned to the Ecuadorean Government.

DEPARTMENT OF STATE,
DIVISION OF LATIN-AMERICAN AFFAIRS,
Washington, September 27, 1913.

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[1] Printed in For. Rel. 1912, pp. 427–429. [2] Id. 431. [3] Id. 432. [4] Id. 433.

File No. 822.124/310a.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, October 13, 1913.

Referring to memoranda of March 23 and May 6, 1912,[1] inquire of President Plaza whether he still desires to secure the assistance of Isthmian Canal Commission officials in sanitation of Guayaquil in accordance with Colonel Gorgas's report, which was made at request of Ecuador. We feel a deep interest in the matter not only because of our friendship for Ecuador but also because of our concern in all that relates to the health of the Isthmus of Panama. Hence the present inquiry is made in the interest of both Governments and with a view to indicate our desire to aid the Government of Ecuador in the attainment of the important object in view.

BRYAN.

File No. 822.124/312.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Quito, October 17, 1913.

The President yesterday informed me that a representative of the J. G. White Co. sailed from London Oct. 11 to close contract for sanitation of Guayaquil. The President says that if the Government of the United States will assist in having a receiver appointed for the Guayaquil & Quito Railway Co. he will include in the sanitation contract a provision requiring the work to be done under the supervision of Colonel Gorgas. He declares that the only cause of unfriendliness toward the United States is the conduct of the railway company. He asserts that the appointment of a receiver for the railway properties, with the assistance of the United States Government, would result in conserving earnings which are being misappropriated and also remove the feeling of unfriendliness against us. President Plaza informs me that Congress has authorized a bond issue of 66,000,000 sucres, bearing 5 per cent interest, of which 20,000,000 are for sanitation of Guayaquil. He hopes that American capital will take the sanitation bonds, which act would be much appreciated by Ecuador.

HARTMAN.

File No. 822.124/312.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, October 22, 1913.

The MacArthur Bros., of New York, have advised the Department to-day that they are prepared to undertake the work and will send

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[1] For. Rel. 1912, pp. 426–427.

a representative immediately to Guayaquil if assured of a reasonable time after his arrival to investigate the situation and submit bids.

You will confer with President Plaza in the following sense:

That the President of Ecuador should seek to connect the railway case, now on the point of going to arbitration, with the wholly distinct question of the sanitation of Guayaquil is regretted by this Government. If it were permissible to treat these matters as being in any way interdependent, it would be appropriate to contrast the frank and friendly manner in which this Government has met the wishes of the Government of Ecuador in the matter of the railway arbitration with the course which that Government pursues in closing the door to the friendly cooperation of this Government and its citizens in a matter in which they have a deep, immediate and enduring concern. By reason of the physical relation of Guayaquil to the Isthmus of Panama, the sanitation of Guayaquil is of interest to the entire world, but it specially affects the west coast of South America and most vitally concerns this Government as the constructor and operator of the Panama Canal. The true interest of Ecuador is in reality identical with our own. The Government of the United States has not asked for any favors in the matter and has not expected any to be extended either to itself or to its citizens. On the contrary, it has in the first place suggested in the interest of Ecuador herself that she secure the assistance of Isthmian Canal Commission officials in the sanitation of Guayaquil in accordance with the report which Colonel Gorgas made at her own request, this plan insuring the lowest rate of cost for work actually done and the observance of the highest scientific standards. Should this apparently ideal plan prove to be unacceptable to Ecuador, this Government has requested and desired fair opportunity for American engineers and contractors to submit competing bids on the same basis as the engineers and contractors of other nations. The mutual interests and friendship of the two countries would seem to require at least as much as this.

BRYAN.

File No. 822.124/315.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Quito, November 7, 1913.

Department's October 22. After considerable delay, due to illness of the President and matters growing out of the revolution, I presented today the views of the Department as stated in your telegram. The President says that Mr. McClusky, the representative of J. G. White & Co., has just arrived in Quito and that, while no definite or final contract has been signed, he believes the contract will be executed with them. I impressed upon him the relation of our Government toward the Panama Canal and its operation, and said that the United States Government, as the constructor and owner of the canal, has the power, and it is its plain duty, to so control its

use as not to jeopardize the health of the people of the world, and that in performance of that duty it might, on occasion, be compelled, however reluctantly, to exclude from passage through the canal vessels touching at ports infected with contagious diseases; and that the work of sanitation of Guayaquil should be so thoroughly performed, and according to such high scientific standards, as to remove all doubts as to the safety and propriety of permitting vessels touching at that port to pass through the canal. I suggested that if the work should be done under the supervision of Colonel Gorgas the efficiency of the work would practically be assured. The President expressed his appreciation of the character and superior attainment of Colonel Gorgas and of the merits of the plans submitted by him, but said that the junta at Guayaquil has authority to decide the question of the supervision of the work. I suggested the propriety of me having a conference with Mr. McClusky, and the President agreed that such conference would be desirable. Unless you advise otherwise, I will pursue that course.

HARTMAN.

File No. 822.124/317.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Quito, November 17, 1913.

The representative of J. G. White & Co. says that his company desires to meet the views of our Government and that Engineer Williamson, formerly with the Isthmian Canal Commission, will be in charge of the work; that his company desires to have the cooperation of our Government and that Gorgas stands at the head of the list in sanitary work. In the absence of instructions to the contrary I am proceeding on the assumption that the Department desires above all else the speedy and successful sanitation of Guayaquil, and, everything being equal, that it prefers to have the work done by American contractors.

HARTMAN.

File No. 822.124/326.

The American Consul General at Guayaquil to the Secretary of State.

AMERICAN CONSULATE-GENERAL,
Guayaquil, December 10, 1913.

SIR: I have the honor to place the following facts before you, for consideration.

The White contract for the sanitation of Guayaquil was definitely settled December 9, 1913. It stipulates that the contractors must present documentary proof that the White Company is of English origin, and has its principal offices in London.

The Government will pay the contractors, as compensation for their services rendered in the construction of the work, twelve and

one-half per cent of the cost. This payment comprises the earnings of the contractors, and the value of their studies, plans, specifications, reports, and estimates of the works, the direction, inspection and control in their fulfillment, the commission on the purchase of materials as per conditions stipulated, the expenses preliminary to their shipment to Ecuador, arrangement for the marine insurance, expenses of the works that ought to be prepared by the contractors, and everything in general relating to them as stipulated in this contract, without entering into the cost of the work as contained in article 18.

The contractors affirm that the house of J. G. White and Company, Limited, of 9 Cloak Lane, established in London the 10th of July, 1900, under the laws of England, has its independent representation, as per copy of its constitution, and therefore is the only one that assumes, as contractors, the rights, privileges and obligations of the present contract, and shall not be permitted, now or in the future, to transfer the contract for any motive or under any pretext to any other society, person, principal office or dependencies, established or to be established in any other country with the same or any other name; therefore the rights and obligations of this contract refer only and exclusively to the mentioned house of J. G. White and Company, Limited, London, England, and the Government of Ecuador. The engineers and other employees may be of any nationality in agreement with the Government.

The Government declares, in turn, that this contract is contained in the foregoing text, and therefore it is agreed by both parts that the contract will be without effect, and without any claim on all agreed upon, in case the contractor fail on any of the points of the foregoing statement. For the fulfillment of this contract and their relations with the Government, the contractors will have their offices in Ecuador.

The agreement will be published immediately the contractors show their incorporation papers, which shall be inserted in conformity with the Código de Enjuiciamentos en Materia Civil; that is, that the public document or instrument by which J. G. White and Company was organized in the market of London, 9 Cloak Lane, as principal office, and independent of any other, and the legal power of attorney authorizing Mr. J. W. Mc[illegible]sky [sic] to subscribe th contrace and bind the company to all agreed upon.

For the fulfillment of this contract, the contractors will make their domicile in Guayaquil, where they will locate their legal representative, and submit to the jurisdiction of the judges of the Republic of Ecuador and to its laws.

They declare having full knowledge of the 23rd article of the Political Constitution of the Republic of Ecuador, which says: "Every contract which a foreigner or a foreign company celebrates with the Government, or private person, shall carry the condition of renouncing all diplomatic claims."

I have [etc.]

FREDERIC W. GODING.

File No. 822.124/322.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Quito, December 14, 1913.

A contract was signed today in Quito between the Government of Ecuador and James W. McCrosky [sic] representing J. G. White and Company, Limited, of London, for the sanitation works of Guayaquil; the amount involved is about $10,000,000.

HARTMAN.

SLAVERY OF INDIANS IN THE PROVINCE OF ORIENTE.

File No. 822.5048.

The Acting Secretary of State to the American Minister.

No. 3.] DEPARTMENT OF STATE,
Washington, July 21, 1913.

SIR: The Department encloses herewith a copy of a note dated July 5, 1913, from the British Embassy, with reference to a despatch dated May 14, 1913, a copy of which is also enclosed,[1] from the British representative at Quito regarding labor conditions in certain parts of Ecuador.

You are instructed to forward all information obtainable at Quito as to the condition of the indigenes in the Ecuadorean Province of Oriente, and to furnish your views as to the advisability of the United States joining with Great Britain in the friendly invitation to the Ecuadorean Government alluded to in the note from the British Embassy.

I am [etc.] J. B. MOORE.

[Inclosure 1.]

The British Ambassador to the Secretary of State.

No. 183.] BRITISH EMBASSY,
Dublin N. H., July 5, 1913.

SIR: I have the honour to refer to Mr. Huntington Wilson's note[1] to my predecessor, No. 1714 of December 26th last, in which it is stated, in answer to enquiries on the subject on the part of His Majesty's Government that the United States Government would be prepared, in specific cases of the maltreatment of South American natives, to use its influence with the Government concerned to ensure steps being taken to better the condition of the native inhabitants.

In this connection I have now the honour, under instruction from my Government, to bring to your notice unofficially the enclosed copy of a despatch from His Majesty's Chargé d' Affaires at Quito and to enquire whether, in view of the above-mentioned note, the United States Government would be disposed to join with His Majesty' Government in a friendly invitation to the Ecuadorean Government thoroughly to investigate the circumstances and, should a traffic in slaves between Ecuador and Peru be found to exist, to cooperate with the Peruvian Government in suppressing it.

I have [etc.]

(Not signed.) [CECIL ARTHUR SPRING-RICE.]

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[1] Not printed.

File No. 822.5048.

The Acting Secretary of State to the British Ambassador.

No. 85.] DEPARTMENT OF STATE,
Washington, July 21, 1913.

EXCELLENCY: I have the honor to acknowledge the receipt of your excellency's note of July 5, 1913, enclosing a copy of a despatch from the British Chargé d'Affaires at Quito on the subject of labor conditions in the Ecuadorean Province of Oriente, and asking for the views of this Government as to the disposition of the United States to join with your Government in a friendly invitation to that of Ecuador thoroughly to investigate the circumstances, and, should a traffic in slaves between Ecuador and Peru be found to exist, to cooperate with the Peruvian Government in its suppression.

The Department has not received any reports of ill treatment of the indigenes in Ecuador and hesitates to believe that their condition is such as to require assistance from this Government.

A copy of your note has been transmitted to the Legation of Quito with instructions to report on the subject.

I have [etc.]

J. B. MOORE.

File No. 822.5048/2.

The American Minister to the Secretary of State.

No. 25.] AMERICAN LEGATION,
Quito, August 30, 1913.

SIR: In reply to the Department's instruction No. 3, of July 21st, I regret to say that there is no further information available here regarding the subject of labor conditions in the Oriente of Ecuador, than that supplied the Department in the despatch from the British Chargé d'Affaires in this city to his Government, which was transmitted to the Department by the British Embassy.

It is known here in a general way and regretted that the condition of the Indians practically throughout Ecuador is very bad and that they are living in a practical state of slavery or peonage on the large estates of the rich Ecuadoreans. While this would be difficult to prove in any satisfactory way, the fact exists and is condoned by all concerned as a necessary evil. The usual method of procedure is to have some sort of store at which the "employees" of a ranch or farm are expected to do their trading and in which their needs are supplied at "special" prices. The object, of course, is to get them into a state of indebtedness to the proprietor and keep them there so that their wages are never quite enough to pay their "debts" and consequently they are practically unable to leave for some other employment as there is an understanding among the owners as to taking peons from other properties. Conditions in the Oriente are believed to be still worse than in the more civilized portions of the country on account of the distance from the central government and the bad character of a majority of the small officials in that region. In many places there are no officials of any kind and there are large tracts of what is really a savage territory, of which the sovereignty is claimed both by Ecuador and by several other countries.

I believe that the central government is sincerely anxious to do what it can for these unfortunate beings, and latterly, the "Junta de Beneficencia" has resolved to appoint a commission to look into the matter of relieving them from what is termed the "savage tyranny" of the proprietors.

As a humanitarian measure, the United States Government could very properly join with Great Britain in a friendly invitation to the Ecuadorean Government, as suggested by the British Government, looking towards the suppression of a slave traffic, but I am extremely doubtful as to the practical results which such a proceeding would have. Undoubtedly the Government of Ecuador would be, in principle, favorable to the suppression of such traffic and to the amelioration of the condition of the natives, but the practical execution of any projects of that kind would be most difficult. It must always be remembered that the Oriente of Ecuador when taken in connection with the similar regions in Peru, Colombia, Brazil and Venezuela, forms an enormous extent of wild territory over which there is only a very uncertain sovereignty and almost no attempt at enforcing any kind of laws. The population or rather settlers which such a region attracts are naturally not of a kind to be over sensitive to sufferings of the natives and the officials, even if their intentions were of the best, would be unable to offer any substantial relief. Conditions in the Oriente are probably much like what they were in the Kongo before investigation had brought to light the illegal and inhuman happenings which were being carried on there.

I regret that the British Chargé d'Affaires in this city is out of town at present for his health so that I cannot consult with him in this matter and under the circumstances I have thought it better not to ask for information from Ecuadorean sources of an official nature.

I have [etc.]

MONTGOMERY SCHUYLER, JR.

File No. 822.5048/1.

The Secretary of State to the American Minister.

No. 10.] DEPARTMENT OF STATE,
Washington, September 8, 1913.

SIR: The Department encloses herewith, for your information, a copy of a personal note from the British Ambassador relating to the alleged traffic at Iquitos in slaves from the Napo river region of Ecuador.

I am [etc.]

For the Secretary of State:
JOHN E. OSBORNE.

[Inclosure.]

The British Ambassador to the Secretary of State.

BRITISH EMBASSY.
Dublin, N. H., August 12, 1913.

DEAR MR. SECRETARY: Sir E. Grey desires me to bring to your notice the following information which has just reached him in regard to the alleged traffic

at Iquitos of slaves from the Napo region of Ecuador. You will recollect that a note on this subject was addressed to me by Mr. Moore (No. 85) on July 21.

A copy of the despatch from His Majesty's Chargé d'Affaires at Quito, which was forwarded to you in my note No. 183 of July 5th, was also sent to the British Consul at Iquitos, who was instructed to furnish a report on the subject. The Consul has now replied that, as stated by Mr. Jerome, some rubber hunters, mostly not Peruvians and working independently, have brought about four hundred Indians through Iquitos during the last two years. In the Consul's opinion these Indians are slaves inasmuch as they are practically the absolute property of the rubber hunters; but they are not necessarily ill-treated or unhappy. They are not sold to others but accompany their owners. There is now on the lower Napo a party of one hundred to one hundred and fifty Indians, owned by an Italian born in Ecuador, which is expected to arrive at Iquitos about October. Our Consul thinks that it should be possible to enforce regulations for the prevention of such traffic, as all these parties pass through Iquitos.

I venture to suggest that this information may be of use to the United States Legation at Quito in connection with the report you have called for on the subject.

I am [etc.]

CECIL SPRING-RICE.

File No. 822.5048/2.

The Secretary of State to the American Minister.

No. 1.] DEPARTMENT OF STATE,
Washington, September 29, 1913.

SIR: In acknowledging the receipt of Mr. Schuyler's No. 25 of August 30 regarding the subject of labor conditions in the Oriente of Ecuador, the Department desires to say that it wishes you to confer with the British Chargé d'Affaires at Quito, and to continue to keep it fully informed concerning the matter.

I am [etc.]

For the Secretary of State:
J. B. MOORE.

File No. 822.5048/5.

The American Minister to the Secretary of State.

No. 13.] AMERICAN LEGATION,
Quito, November 13, 1913.

SIR: Adverting to the Department's instructions No. 3 and 10, addressed to my predecessor and No. 1 addressed to myself, I now have the honor to report with respect to recent developments concerning the alleged traffic in slaves in the upper Napo region lying within the territory of Ecuador.

Mr. Lucien J. Jerome the British Chargé d'Affaires has confidentially placed at the disposal of this Legation the document referred to by the British Ambassador in his communications of July 5th and August 12th, and also the latest report received from Victor Huckin, Esquire, H. B. M's Consul in Iquitos, who under the date of August 8 has addressed the Foreign Office as follows:

"The principal fact which I have ascertained is that bodies of Indians have on several occasions within the past two years been brought down from the Napo to Iquitos and sent on thence to the

Madre de Dios as described by Mr. Jerome. I have received from a good source the following list giving in each case the name and nationality of the Patron in charge of and owing the Indians." (See enclosure "A".)[1]

As will be noted by the enclosed list mentioned, the number of Indians who have passed through the Iquitos in the past two years is placed by the Consul at 510. This, according to latest report, does not include "a group of 150 under Samuel Rogeroni, an Italian born in Ecuador, which has been brought down as far as the mouth of the Napo where the men are at present employed in the ivory-nut industries. They are expected to be brought through Iquitos on their way to the Madre de Dios about October next." It will be noticed that the above report fully confirms (with certain discrepancies in the figures given readily accounted for by the fortunes of the journey between the upper Napo and Iquitos) all the statements made by Mr. Jerome in his despatches forwarded to the Department.

The greatest credit is due to Mr. Jerome for his thorough and painstaking investigation of this subject. He has allowed me to examine his latest report (covering 55 pages) concerning the whole subject of the now notorious outrages on the Putumayo as well as the more recent abuses in the Ecuadorean hinterland. From it I have been able to make the following abstract:

The present charges are based upon: (1) The account of an Indian "deputation" from Archidona a town distant only 160 miles from Quito. (See Mr. Jerome's communication of May 14th on file at the Department.) (2) The account of a Peruvian citizen now residing in Quito who was formerly engaged in business on the upper Napo. (See, below, an account of Mr. Cresson's interview with this man.) (3) The accounts of visiting priests and missionaries whom Mr. Jerome has interviewed in Quito and Lima.

The above accounts cover a period from 1910 to the present day, and the present condition of affairs to be deduced from them may be resumed as follows: The once notorious operations of the rubber gatherers in the upper Putumayo basin having been curtailed by the flight of the native population, the failing rubber supply and the scandals involved in the exploitation of this industry, the operations of the "caucheros" had been transferred to other fields from whence the present supply is now largely drawn. These new areas of rubber forest lie (in a general way) to the south of the town of Pebas, to the south of the town of Nauta; and another large district near the Madre de Dios River on the borders of Bolivia. In order to supply these fields with labor, it would appear that the old system of "correrías" or man-hunts, so familiar in the story of the Putumayo outrages, has been applied once more to the upper waters of the Napo in Ecuadorean territory. This is but the revival of an old state of affairs which only died out because [of] the flight and destruction of the native population following on the suppression of the Ecuadorean missions in 1895.

Mr. Cresson the Secretary of this Legation has been given an opportunity by Mr. Jerome of talking with that gentleman's informant,

[1] Not printed.

the "cauchero" mentioned above. This man, whose testimony seems to be conservative and credible, confirms all the statements contained in Mr. Jerome's reports and added that "the natives who willingly or unwillingly were taken down the river never returned again to their homes and families in the Napo."

As the literature on this subject has become widely available, it hardly seems necessary for me to enlarge on the nature of the outrages charged. The rumors and testimony referred to would, however, strongly point to the desirability of a thorough investigation of the conditions charged. In my opinion the Ecuadorean Government could scarcely raise objections to any measures which might be taken to put a stop to the kidnapping of useful and laborious citizens of their Republic—uncivilized and even savage though their state may be—to the mean advantage of a few unscrupulous traders.

In Mr. Jerome's opinion real results can only be obtained by an impartial investigation in the interest of humanity which might afterwards lead to representations near the Governments involved based, as is essential, on incontrovertible facts.

Mr. Jerome informs me that, in order to secure this end, he has suggested to H. M's Government the propriety of a personal investigation of the territory concerned, surrounded by as little notoriety as possible. This country is distant only about 160 miles from Quito, which is the nearest center of civilization. It is, however, separated from Quito by the high chain of the Andes and a difficult stretch of country on their eastern slope. The best season to make these investigations would appear to be about the middle of January. Mr. Jerome concurs with me in the opinion that it would be highly advisable, if he is authorized to make this trip, that the Secretary of this Legation, Mr. Cresson, be authorized to accompany him on his expedition. If in the Department's opinion the United States Government could informally cooperate to this extent in the humanitarian efforts of H. M's officials, I consider that Mr. Cresson, who by physique and other attainments is fitted for the work, might readily be detached for this service. Mr. Jerome has asked his Government for a credit, not to exceed $750, in order to cover the necessary expenses of the trip, and in my opinion a similar expenditure should be authorized on Mr. Cresson's behalf.

The above recommendations are made under the apprehension that the Department is inclined to favor the policy of cooperation with respect to these matters suggested by the British Ambassador in his note of July 5th, 1913.

In view of the fact that Mr. Jerome's representations to his Government were made some two weeks ago and that some time will be necessary in order to make proper preparations for the suggested trip, I would respectfully suggest that the Department communicate with this Legation by cable with respect to the attitude I should assume regarding these matters and the proposed investigations.

I have [etc.]

CHARLES S. HARTMAN.

File No. 822.5048/6.

The British Ambassador to the Acting Secretary of State.

BRITISH EMBASSY,
Washington, December 3, 1913.

DEAR MR. MOORE: It will be within your recollection that in my note No. 183 of July 5th last I had the honour, under instructions from Sir E. Grey, to communicate unofficially a copy of a despatch from His Majesty's Chargé d'Affaires at Quito and to enquire whether, in view of the information as to the maltreatment of South American natives contained therein, the United States Government would be disposed to join with His Majesty's Government in a friendly invitation to the Ecuadorean Government to investigate the circumstances and to cooperate with the Peruvian Government in suppressing the traffic in slaves between these two countries if investigation proved that such a traffic existed. In your reply of July 21st it was stated that a copy of this note had been forwarded to the United States Legation at Quito with instructions to report on the subject.

I have now been instructed to enquire whether your Government have received any report from the United States Legation at Quito on the subject and I should be most grateful if you would be kind enough to let me know whether you have received the information desired.

I am [etc.]

For the Ambassador:
COLVILLE BARCLAY.

FRANCE.

ARBITRATION AGREEMENT BETWEEN THE UNITED STATES AND FRANCE EXTENDING THE DURATION OF THE CONVENTION OF FEBRUARY 10, 1908.[1]

Signed at Washington February 13, 1913; ratification advised by the Senate February 19, 1913; ratified by the President February 25, 1913; ratified by France February 28, 1913; ratifications exchanged at Washington March 14, 1913; proclaimed March 15, 1913.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas an Agreement between the United States of America and the French Republic, extending the period during which the Arbitration Convention of February 10, 1908, is to remain in force, was concluded and signed by their respective plenipotentiaries at Washington, on the thirteenth day of February, one thousand nine hundred and thirteen, the original of which Agreement, being in the English and French languages, is word for word as follows:

Agreement extending the duration of the Arbitration Convention of February 10, 1908.

The Government of the United States of America and the Government of the French Republic, being desirous of extending the period of five years during which the Arbitration Convention concluded between them on February 10, 1908, is to remain in force, which period is about to expire, have authorized the undersigned, to wit: Philander C. Knox, Secretary of State of the United States, and J. J. Jusserand, Ambassador of the French Republic to the United States, to conclude the following arrangement:

ARTICLE I.

The Convention of Arbitration of February 10, 1908, between the Government of the United States of America and the Government of the French Republic, the duration of which by Article III thereof was fixed at a period of five years from the date of ratification, which period will terminate on Februray 27, 1913, is hereby extended and continued in force for a further period of five years from February 27, 1913.

ARTICLE II.

The present Agreement shall be ratified by the President of the United States of America, by and with the advice and consent of the Senate thereof, and by the President of the French Republic, in accordance with the constitutional laws of France, and it shall be-

[1] For the text of the convention see For. Rel. 1908, p. 331.

come effective upon the date of the exchange of ratifications, which shall take place at Washington as soon as possible.

Done in duplicate, in the English and French languages, at Washington this 13th day of February, one thousand nine hundred and thirteen.

PHILANDER C KNOX [SEAL.]
JUSSERAND [SEAL.]

And whereas the said Agreement has been duly ratified on both parts, and the ratifications of the two governments were exchanged in the City of Washington, on the fourteenth day of March, one thousand nine hundred and thirteen:

Now, therefore, be it known that I, Woodrow Wilson, President of the United States of America, have caused the said Agreement to be made public, to the end that the same and every article and clause thereof may be observed and fulfilled with good faith by the United States and the citizens thereof.

In testimony whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the City of Washington this fifteenth day of March in the year of our Lord one thousand nine hundred and [SEAL.] thirteen, and of the Independence of the United States of America the one hundred and thirty-seventh.

WOODROW WILSON

By the President:
WILLIAM JENNINGS BRYAN
Secretary of State.

REESTABLISHMENT OF RELATIONS BETWEEN FRANCE AND VENEZUELA; TEXT OF PROTOCOL RELATING THERETO; GOOD OFFICES OF THE UNITED STATES.[1]

File No. 731.51/32.

The American Minister to Venezuela to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Caracas, June 3, 1912.

The Minister for Foreign Affairs requests that I communicate unofficially a report that the French Government is ready to send a Minister to Venezuela under proper circumstances, and desires the Department to verify the report if possible, either through the French Embassy or the American Embassy at Paris.

NORTHCOTT.

File No. 731.51/32.

The Secretary of State to the American Minister to Venezuela.

No. 14.] DEPARTMENT OF STATE,
Washington, July 3, 1913.

SIR: With reference to your telegram of June 3, regarding the relations between France and Venezuela, the Department encloses

[1] For severance of relations, see For. Rel. 1906, p. 1432.

herewith, for your information, a copy and translation of a memorandum from the French Embassy left at the Department on March 6, 1912.

The Department was informed by the Secretary of the French Embassy, on June 28th, that the attitude of the French Government continues as described in the enclosed memorandum.

I am [etc.]

P. C. KNOX.

[Inclosure—Translation.]

File No. 731.51/33.

Memorandum from the French Embassy.

FRENCH EMBASSY,
Washington, March 6, 1912.

The Government of the French Republic, having learned that the Secretary of State, in the course of the trip which he is at present making, would pay a visit to Caracas where he would be the guest of President Gómez, would be pleased if on this occasion the Department of State would kindly transmit to his excellency the Hon. P. C. Knox its sincere appreciation of the good offices of the representatives of the United States at Venezuela who, since the rupture of the diplomatic relations between that country and France, have undertaken the protection of French interests.

As the Venezuelean Government is the first interested in the resumption of the said relations, it is very probable that Mr. Knox will be asked to lend his friendly assistance with a view to a solution of this question. In this event it might be of service that the Honorable Secretary of State, who already is acquainted with the conditions to which the French Government subordinates the resumption of these relations, should find on his arrival at Caracas a memorandum which would recall them to his mind.

Thus, as the Department of State knows, the Government of the Republic is entirely disposed to resume normal relations with Venezuela provided that the Government of that country consent, as it has been requested, to submit to an effective arbitration those of the French claims which could not be amicably settled within a reasonable period after the resumption of diplomatic relations.

As to the different projects which appear to have been formed by financiers for the organization of a Venezuelan National Bank or the exploitation of certain monopolies, the resumption of diplomatic relations between France and Venezuela can in no manner be bound save to the particular interests which depend on them. In Venezuela as in the other South American Republics it is moreover with capital of the United States that French capital would above all collaborate in the enterprises to be undertaken if the normal relations were reestablished to the satisfaction of the Government of the Republic.

File No. 731.51/34.

The American Minister to Venezuela to the Secretary of State.

No. 60.] AMERICAN LEGATION,
Caracas, August 5, 1912.

SIR: I have the honor to report that on receipt of the Department's No. 14 of July 3 last I had a further conference with Dr. J. L. Andara, Minister for Foreign Affairs ad interim, and explained to him the position of the French Government as set out in the memorandum enclosed in this despatch [sic].[1] Dr. Andara discussed the matter very freely and stated that it seemed that the only difference

[1] Meaning the instruction above mentioned.

between the Venezuelan and the French Governments was that the Venezuelan Government insisted that the French claims be submitted to Venezuelan courts before arbitration, arbitration to follow if the findings of the local courts were not satisfactory in the opinion of the French Government; and that as he understood it the French Government insisted that there be arbitration without submission to the local courts.

Dr. Andara went on to express the belief that having once taken this position Venezuela could not with dignity recede from it, because to do so would be to admit the incompetency of its own courts. He then expressed the hope, as coming from President Gómez, that the matter could be arranged, and the belief that the friendly assistance of the United States Government would secure an arrangement along the lines desired by Venezuela. He also expressed the hope that I could so submit the matter to the Department as to secure this assistance. In reply I promised Dr. Andara to report the whole matter to my Government.

I have [etc.]

ELLIOTT NORTHCOTT.

File No. 731.51/35.

The Acting Secretary of State to the American Minister.

No. 24.] DEPARTMENT OF STATE,
Washington, August 31, 1912.

SIR: With reference to your despatch No. 60, of August 5, 1912, regarding the relations between France and Venezuela, the Department is now enclosing, for your information, a copy of the original and translation of the letter from the French Embassy dated August 29, 1912.

I am [etc.]

HUNTINGTON WILSON.

[Inclosure—Translation.]

The French Chargé d'Affaires to the Secretary of State.

FRENCH EMBASSY,
Washington, August 29, 1912.

MY DEAR MR. SECRETARY OF STATE: As I had the honor to write you on the 24th instant,[1] I immediately acquainted my Government with the substance of Mr. Elliot Northcott's communication enclosed in your letter of the 21st.[1]

In reply, the President of the Council, Minister for Foreign Affairs of the Republic, tells me that he agrees to the Venezuelan courts being first called upon to pass on all the claims preferred by French citizens against the Government of Venezuela, but on the express conditions that all such claims may thereafter be referred, if desire to do so is expressed, to an arbitral tribunal the membership of which would be determined in advance. Further, the French Government will not consent to negotiate with any one but an official envoy of the Venezuelan Government.

Mr. Poincaré requests me to have recourse to the Department of State's habitual kindness in order to have the foregoing answer cabled to the Minister of the United States at Caracas for transmission to the Government of President Gómez.

Be pleased [etc.]

E. DE PERETTI DE LA ROCCA.

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[1] Not printed.

File No. 731.51/35.

The Acting Secretary of State to the French Chargé d'Affaires.

No. 1056.] DEPARTMENT OF STATE,
Washington, September 3, 1912.

SIR: I have the honor to acknowledge the receipt of your letter of August 29th in which you give the views of the French Government in regard to the reestablishment of diplomatic relations with Venezuela and request the Department to communicate the same by cable to Mr. Northcott, for submission to the Government of President Gómez.

I take pleasure in informing you that a copy and translation of your letter have been sent to the Legation at Caracas.

Accept [etc.]

HUNTINGTON WILSON.

File No. 731.51/36.

The Secretary of State to the French Ambassador.

DEPARTMENT OF STATE.
Washington, October 30, 1912,

EXCELLENCY: With reference to Count de Peretti de la Rocca's note of August 29, 1912, regarding the relations of France and Venezuela, and to the Department's reply of September 3, 1912, I have the honor to inform you that Mr. Elliott Northcott, the American Minister to Venezuela, has just arrived in Washington. Mr. Northcott brought with him the reply of the Venezuelan Government to the note in which he communicated the substance of Count de Peretti de la Rocca's letter to the Department of August 29th. It was at the special request of the President of Venezuela that Mr. Northcott brought this despatch in person to the Department in order that he might at the same time orally state that the President and Minister for Foreign Affairs of Venezuela have expressed the hope that diplomatic relations between France and Venezuela will soon be reestablished.

The Department will be happy if its friendly offices should result in the renewal of those relations.

A copy of the note of the Venezuelan Minister for Foreign Affairs of September 23d to Minister Northcott is enclosed.

Accept [etc.]

For Mr. Knox:
ALVA A. ADEE.

[Inclosure—Translation.]

The Venezuelan Minister for Foreign Affairs to the American Minister.

MINISTRY OF FOREIGN AFFAIRS,
Caracas, September 23, 1912.

MR. MINISTER: I have had the honor of receiving your excellency's courteous note No. 59, dated the 4th instant,[1] in which, at the request of the French Embassy in Washington, you transcribe the statement of the attitude of the French Government. I informed the President of the Republic, who instructed me to reply in the following terms:

The Government of Venezuela is greatly pleased that the French Government, taking into account the good will and the reasons expressed by this Chancellery,

[1] Not printed.

decides upon a conciliatory course preserving the decorum and the interests of both countries.

The Government of Venezuela has no objection to the claims of French citizens, decided by the Federal Court of Cassation, being submitted to an arbitral tribunal whenever there is in such decisions a violation of the principles recognized by international law. The attitude of the French Government can not be otherwise in this respect, in view of the enlightenment and the spirit of justice of the men who direct it. Consequently the Venezuelan Government considers it advisable, with a view to prevent any erroneous interpretation, that such an expression be included in the protocol of the resumption of relations.

As worded in the statement contained in your excellency's note, the right of recourse to an arbitral tribunal might occasion doubts and confusions, and the Government of Venezuela is persuaded that the French Government is also desirous of preventing such; and therefore that it is incumbent to state that the French Government will possess the right of having submitted to an arbitral tribunal those claims which have been decided by Venezuelan courts, when it adduces that in such decision some principles of international law have been violated.

With this modification, which is merely the making clear of the thought contained in the statement above referred to, the Venezuelan Government infers that there will be no objection to proceeding to the definite consideration of the matter, inasmuch, as is gathered from conversations with your excellency, both Governments are animated by the sincerest desire of reaching a satisfactory solution.

I take [etc.]

J. L. ANDARA.

File No. 731.51/40.

The American Chargé d'Affaires at Caracas to the Secretary of State.

No. 101.] AMERICAN LEGATION,
Caracas, November 25, 1912.

SIR: With reference to the Department's instruction No. 24 of August 31, 1912, regarding the relations between France and Venezuela, I have the honor now to enclose herewith copy and translation in duplicate of the note [1] and projected protocol [2] received on November 19, 1912, from the Venezuelan Foreign Minister.

I have [etc.]

JEFFERSON CAFFERY.

File No. 731.51/41.

The Secretary of State to the American Chargé d'Affaires at Caracas.

No. 39.] DEPARTMENT OF STATE,
Washington, December 11, 1912.

SIR: The Department has received your despatch No. 101, of November 25th, enclosing a copy and translation of the note and projected protocol received by you from the Minister for Foreign Affairs of Venezuela. A copy of the note and of the protocol has been sent to the French Embassy, and the Department encloses for your information a copy of the note [1] dated December 9, 1912, from the French Embassy and a copy of the projected protocol transmitted therewith.

I am [etc.]

P. C. KNOX.

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[1] Not printed.
[2] Not printed. See the text as signed; inclosure to despatch No. 165, of March 25, 1913, post.

File No. 731.51/44.

The French Ambassador to the Secretary of State.

[Translation.]

FRENCH EMBASSY,
Washington, December 24, 1912.

MR. SECRETARY OF STATE: The President of the Council informs me that he has designated a plenipotentiary charged with the duty of signing the contemplated protocol at Caracas. He will arrive there on January 20.

Mr. Poincaré would be glad if your excellency would kindly have this information given confidentially to the Venezuelan Government.

I am at the same time directed to say to your excellency how sincerely my Government appreciated the good offices you were so good as to extend to us toward the solution which now appears to be at hand. Nothing would be more acceptable to me than the discharge of such a duty with you.

Be pleased [etc.]

JUSSERAND.

File No. 731.51/44.

The Acting Secretary of State to the American Chargé d'Affaires.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, December 24, 1912.

You may inform the Government that the French plenipotentiary will arrive at Caracas January 20.

WILSON.

File No. 731.51/44.

The Secretary of State to the French Ambassador.

No. 1106.] DEPARTMENT OF STATE,
Washington, December 31, 1912.

EXCELLENCY: I have the honor to acknowledge the receipt of your note of the 24th instant, by which you inform me of the designation, on the part of the French Republic, of a plenipotentiary charged with the duty of signing at Caracas the contemplated protocol looking to a resumption of relations between France and Venezuela, and that the plenipotentiary would arrive at that city on January 20th next.

In compliance with the wishes of Mr. Poincaré, as expressed in your note, the Department has taken pleasure in conveying this information to the American Minister at Caracas for communication confidentially to the Venezuelan Government.

Such services as the Department and the Legation at Caracas were able to give in the way of good offices in bringing about a solution of

the differences which have interfered with good relationship between your country and Venezuela were gladly rendered, and I highly appreciate the estimation of the value which your note informs me is placed upon them by your Government.

Accept [etc.]

P. C. KNOX.

File No. 831.51/48.

The American Chargé d'Affaires to the Secretary of State.

No. 139.] AMERICAN LEGATION,
Caracas, February 12, 1913.

SIR: I have the honor to report that the protocol for the renewal of relations between France and Venezuela was signed at half past three yesterday afternoon by Doctor Andara, Minister of Foreign Affairs of Venezuela, on the part of Venezuela, and Baron d'Avril, Minister Plenipotentiary, on the part of France.

I have the honor to state that immediately after the signing of this Protocol the Counselor of the Ministry of Foreign Affairs, Dr. Grisanti, called at the Legation and said that he was sent by the Minister of Foreign Affairs to express appreciation on behalf of the Venezuelan Government for the part played by the American Government in this matter. The Minister of Foreign Affairs also said to me that he considered that without the good offices of the American Government an agreement between the two nations would have been impossible.

I have [etc.]

JEFFERSON CAFFERY.

File No. 731.51/50.

No. 142.] AMERICAN LEGATION,
Caracas, February 14, 1913.

SIR: I have the honor to enclose herewith copies and translations of a note received by me from the Minister of Foreign Affairs on February 13, 1913.

I have [etc.]

JEFFERSON CAFFERY.

[Inclosure—Translation.]

The Minister for Foreign Affairs to the American Chargé d'Affaires.

MINISTRY OF FOREIGN AFFAIRS,
Caracas, February 13, 1913.

SIR: With the signing by the respective Plenipotentiaries of the Protocol of renewal of relations between France and Venezuela, it is incumbent upon me to express my most hearty thanks for the collaboration of your Legation in the attainment of this end, in its capacity in charge of French interests, and it gives me honor to extend my thanks also to the Government of the United States which seconded your efforts with such efficacy.

With the request that your honor communicate these expressions to your Government, it gives me pleasure to renew [etc.]

J. L. ANDARA.

File No. 731.51/52.

The American Chargé d'Affaires to the Secretary of State.

No. 152.] AMERICAN LEGATION,
Caracas, February 19, 1913.

SIR: I have the honor to state that Baron d'Avril, the French Plenipotentiary, called at the Legation and said that he was charged by his Government to express appreciation of the part played by the American Government in the negotiations leading up to the signing of the Protocol for the renewal of relations between the two countries.

I have the honor to enclose herewith copies and translations of a note received by me from M. d'Avril in this regard.

I have [etc.]

JEFFERSON CAFFERY.

[Inclosure—Translation.]

The French Plenipotentiary at Caracas to the American Chargé d'Affaires.

LEGATION OF FRANCE IN VENEZUELA,
Caracas, February 17, 1913.

MR. CHARGÉ D'AFFAIRES: I have the honor to inform you that on the 11th instant I signed with his excellency Mr. Andara, Minister for Foreign Affairs, the Protocol for the renewal of diplomatic relations between France and Venezuela.

On this occasion Mr. Jonnart, Minister for Foreign Affairs of France, requests me to thank you for the valued services you have kindly extended to the French Government, thereby assisting it to arrive at the agreement so happily effected.

Permit me also to add the expression of my personal gratitude for the assistance you have given me since my arrival at Caracas, which has greatly contributed to the success of the mission with which I was charged.

Please accept [etc.]

L. D'AVRIL.

File No. 731.51/50.

The Secretary of State to the American Chargé d'Affaires.

No. 50.] DEPARTMENT OF STATE,
Washington, March 6, 1913.

SIR: The Department is in receipt of your despatch No. 142, of February 14, 1913, with which you transmit a copy and translation of a note addressed to you on February 13th by the Minister for Foreign Affairs expressing the appreciation of the Venezuelan Government for the services of this Department and the Legation in aiding in the reestablishment of diplomatic relations between France and Venezuela.

You are directed to address a brief reply to the Minister for Foreign Affairs expressing the gratification of the Department at the happy outcome of the recent negotiations with France, carried on to such a large extent through your Legation and the Department, making known the Department's appreciation of the sentiments expressed in the note of the Minister of Foreign Affairs, and stating that the Department is very glad to have been of service in this important matter.

I am [etc.]

W. J. BRYAN.

File No. 731.51/48.

DEPARTMENT OF STATE,
Washington, March 8, 1913.

SIR: The Department has received your No. 139, of February 12 last, in which you report that the Protocol for the renewal of relations between Venezuela and France was signed on February 11 last by the Minister for Foreign Affairs of Venezuela and Baron d'Avril, Minister Plenipotentiary of the French Republic.

Your despatch has been read with interest. The Department is gratified to learn that the Government of Venezuela has expressed to you its appreciation of the action taken in the matter by the Government of the United States.

I am [etc.]

W. J. BRYAN.

File No. 731.51/53.

The American Minister to the Secretary of State.

No. 165.] AMERICAN LEGATION,
Caracas, March 25, 1913.

SIR: I have the honor to enclose herewith copy and translation of the protocol signed for the renewal of relations between France and Venezuela.

I have [etc.]

ELLIOTT NORTHCOTT.

[Inclosure—Translation.]

Protocol concerning renewal of relations between France and Venezuela.

The Government of the French Republic and the Government of the United States of Venezuela, desiring to reestablish friendly relations between the two countries and declaring that all motive for rupture has disappeared, have named as their respective plenipotentiaries, to wit:

* * * * * * *

who after the exchange of their respective full powers found in good and true form, have agreed to the following articles:

I

Diplomatic relations between Venezuela and France shall be reestablished from the time of the signing of the present Protocol and the two Governments shall name their respective Ministers at Paris and Caracas.

II

Within a period of three months from the exchange of ratifications of the present Protocol, the French Government shall submit to the Venezuelan Government the list of French claims against Venezuela originated by acts prior to June 30, 1903.

Such of these claims which [sic], within a period of six months after the receipt of said list, shall not have been settled by direct agreement between the Venezuelan Government on one hand and the French Government or the interested parties on the other hand, shall be taken, within a maximum period of three months, at the suit of the claimants, before the competent jurisdiction of Venezuela.

In order to avoid all subsequent dispute the two High Parties agree that the French Government shall have the right, after previous notice and reasons

therefor to the Venezuelan Government, to submit to the Arbitral Tribunal [Commission] indicated by Articles III and IV the claims which may have been the subject of a Venezuelan sentence [sic] against which it considers that it ought to raise objections founded in law and equity.

III

In case of lack of a direct agreement no definite sentence or decision shall have been rendered within a period of fifteen months after proper judicial proceedings have been taken, and if such delay be not attributable exclusively to the plaintiff, the Arbitral Commission shall take cognizance of the claims which shall not have been adjudged within said period.

IV

Within the three months following the total expiration of the periods indicated in the preceding articles, each of the two Governments shall designate an arbiter, if there be need therefor, and the two arbiters thus named shall by common accord choose an umpire.

In case of disagreement, the designation of the umpire shall be intrusted to a third power designated in common accord by the two Governments. If such accord be not obtainable, each of the two Governments shall designate a different power, and the selection of the umpire shall be made in concert by the powers thus designated.

The French arbiter and the Venezuelan arbiter shall meet in Caracas immediately after their designation and shall examine the claims in the cases provided for in Articles II and III.

Such of these claims of which [sic] a friendly settlement can not be made by the two arbiters within a period of twelve months from their first meeting, shall be submitted by them to the umpire, who shall decide without appeal.

V

The periods for the presentation of documents and supporting proofs shall be fixed by the arbiters, who shall also establish the other formalities of the proceeding [procedure].

VI

Each of the Governments shall pay the salary of its arbiter and the expenses attending his mission; the two Governments shall pay each one-half the salary of the umpire and the general and common expenses of the proceeding.

VII

The indemnities which shall be accorded to the claimants shall be delivered to the French Government in French gold or in equivalent money of Venezuela, within a period which shall in no case exceed one year, counting from the last arrangement, sentence or decision.

VIII

The Venezuelan Government confirms its preexisting obligations in that which concerns the French Diplomatic Debt. It confirms likewise the declaration annexed to the Protocol of February 19, 1902.

IX

The present Protocol shall be ratified by the competent powers and the ratifications shall be exchanged at Caracas as soon as possible and at latest by June 15, 1913.

X

The text of the present Protocol shall be drawn up in two copies, one French-Spanish and the other Spanish-French, and in case of dispute the French text shall be authoritative.

In faith whereof the respective plenipotentiaries have signed the present Protocol in two copies, one Spanish-French, the other French-Spanish, and have thereto affixed their seals at Caracas February eleventh, nineteen hundred and thirteen.

[No signatures to this inclosure.]

File No. 731.51/57.

The French Ambassador to the Secretary of State.

[Translation.]

FRENCH EMBASSY,
Washington, May 6, 1913.

MR. SECRETARY OF STATE: I took pains to keep my Government informed of the instructions your excellency was pleased to send, on my request, to the Representative of the United States at Caracas to recommend to the Government of Venezuela the ratification of the protocol for the resumption of diplomatic relations between France and Venezuela.

In reply, the Minister for Foreign Affairs of the Republic desires me to thank the Federal Government for this continuance of its good offices in Venezuela. At the same time Mr. Pichon instructs me to say to your excellency how much the French Government appreciated the adherence of the United States to the attitude adopted jointly with France in Venezuela for the past ten years.

Be pleased [etc.]

JUSSERAND.

File No. 731.51/58.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Caracas, May 14, 1913.

The protocol was ratified by the Congress May 13.

The Minister for Foreign Affairs requests the further friendly offices of the Government of the United States with the French Government to assist in securing settlements with French claimants out of court as favorable as justice will allow.

NORTHCOTT.

File No. 731.51/58.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, May 21, 1913.

The Department has communicated to the French Embassy the substance of your May 14. Now that France has a Legation at Caracas, our good offices can scarcely continue beyond the point already reached.

BRYAN.

GREAT BRITAIN.

PANAMA CANAL TOLLS: EXEMPTION OF VESSELS IN THE COASTWISE TRADE OF THE UNITED STATES FROM PAYMENT OF TOLLS.

File No. 811f. 812/355.

The Secretary of State to the American Chargé d'Affaires.

No. 1833.] DEPARTMENT OF STATE,
Washington, January 17, 1913.

SIR: I enclose a copy of an instruction from Sir Edward Grey to His Britannic Majesty's Ambassador at Washington, dated November 14, 1912, a copy of which was handed to me by the Ambassador on the 9th ultimo,[2] in which certain provisions in the Panama Canal Act of August 24th last are discussed in their relation to the Hay-Pauncefote Treaty of November 18, 1901; and I also enclose a copy of the note[3] addressed to me on July 8, 1912 by Mr. A. Mitchell Innes, His Britannic Majesty's Chargé d'Affaires, stating the objections which his Government entertained to the legislation relating to the Panama Canal, which was then under discussion in Congress. A copy of the President's proclamation of November 13, 1912,[2] fixing the canal tolls, is also enclosed.

Sir Edward Grey's communication, after setting forth the several grounds upon which the British Government believe the provisions of the Act are inconsistent with the stipulations of the Hay-Pauncefote Treaty, states[4] the readiness of his Government "to submit the question to arbitration if the Government of the United States would prefer to take this course" rather than "to take such steps as would remove the objections to the Act which His Majesty's Government have stated." It therefore becomes necessary for this Government to examine these objections in order to ascertain exactly in what respects this Act is regarded by the British Government as inconsistent with the provisions of that treaty, and also to explain the view of this Government upon the questions thus presented, and to consider the advisability at this time of submitting any of these questions to arbitration.

It may be stated at the outset that this Government does not agree with the interpretation placed by Sir Edward Grey upon the Hay-Pauncefote Treaty, or upon the Clayton-Bulwer Treaty, but for reasons which will appear hereinbelow it is not deemed necessary at present to amplify or reiterate the views of this Government upon the meaning of those treaties.

In Sir Edward Grey's communication, after explaining in detail the views taken by his Government as to the proper interpretation of

[1] Continued from For. Rel. 1912, pp. 467–489. The two papers here printed comprise all the formal correspondence on the subject during 1913.
[2] For. Rel. 1912, p. 481.
[3] Id., p. 469.
[4] Id., p. 489.

the Hay-Pauncefote Treaty, "so as to indicate the limitations which" His Majesty's Government "consider it imposes upon the freedom of action of the United States,"[1] he proceeds to indicate the points in which the Canal Act infringes what he holds to be Great Britain's treaty rights.

It is obvious from the whole tenor of Sir Edward Grey's communication that in writing it he could not have taken cognizance of the President's proclamation fixing the canal tolls. Indeed, a comparison of the dates of the proclamation and the note, which are dated respectively November 13th and November 14th last, shows that the proclamation could hardly have been received in London in time for consideration in the note. Throughout his discussion of the subject, Sir Edward Grey deals chiefly with the possibilities of what the President might do under the Act, which in itself does not prescribe the tolls, but merely authorizes the President to do so; and nowhere does the note indicate that Sir Edward Grey was aware of what the President actually had done in issuing this proclamation. The proclamation, therefore, has entirely changed the situation which is discussed by Sir Edward Grey, and the diplomatic discussion, which his note now makes inevitable, must rest upon the bases as they exist at present, and not upon the hypothesis formed by the British Government at the time this note was written.

Sir Edward Grey presents the question of conflict between the Act and the Treaty in the following language:[2]

> It remains to consider whether the Panama Canal Act, in its present form, conflicts with the treaty rights to which His Majesty's Government maintain they are entitled.
>
> Under section 5 of the Act the President is given, within certain defined limits, the right to fix the tolls, but no tolls are to be levied upon ships engaged in the coastwise trade of the United States, and the tolls, when based upon net registered tonnage for ships of commerce, are not to exceed 1 dollar 25 c. per net registered ton, nor be less, *other than for vessels of the United States and its citizens*, than the estimated proportionate cost of the actual maintenance and operation of the Canal. There is also an exception for the exemptions granted by article 19 of the Convention with Panama of 1903.
>
> The effect of these provisions is that vessels engaged in the coastwise trade will contribute nothing to the upkeep of the Canal. Similarly vessels belonging to the Government of the Republic of Panama will, in pursuance of the treaty of 1903, contribute nothing to the upkeep of the Canal. Again, in the cases where tolls are levied, the tolls in the case of ships belonging to the United States and its citizens may be fixed at a lower rate than in the case of foreign ships, and may be less than the estimated proportionate cost of the actual maintenance and operation of the Canal.
>
> These provisions (1) clearly conflict with the rule embodied in the principle established in article 8 of the Clayton-Bulwer Treaty of equal treatment for British and United States ships, and (2) would enable tolls to be fixed which would not be just and equitable, and would therefore not comply with rule 1 of article 3 of the Hay-Pauncefote Treaty.

From this it appears that three objections are made to the provisions of the Act: first, that no tolls are to be levied upon ships engaged in the coastwise trade of the United States; second, that a discretion appears to be given to the President to discriminate in fixing tolls in favor of ships belonging to the United States and its citizens as against foreign ships; and third, that an exemption has been given to the vessels of the Republic of Panama under Article 19 of the Convention with Panama of 1903.

[1] Id., p. 482. [2] Id., p. 487.

Considered in the reverse order of their statement, the third objection, coming at this time, is a great and complete surprise to this Government. The exemption under that article applies only to the government vessels of Panama, and was part of the agreement with Panama under which the canal was built. The Convention containing the exemption was ratified in 1904, and since then to the present time no claim has been made by Great Britain that it conflicted with British rights. The United States has always asserted the principle that the status of the countries immediately concerned by reason of their political relation to the territory in which the canal was to be constructed was different from that of all other countries. The Hay-Herran Treaty with Colombia of 1903 also provided that the war vessels of that country were to be given free passage. It has always been supposed by this Government that Great Britain recognized the propriety of the exemptions made in both of those treaties. It is not believed, therefore, that the British Government intend to be understood as proposing arbitration upon the question of whether or not this provision of the Act, which in accordance with our treaty with Panama exempts from tolls the government vessels of Panama, is in conflict with the provision of the Hay-Pauncefote Treaty.

Considering the second objection based upon the discretion thought to be conferred upon the President to discriminate in favor of ships belonging to the United States and its citizens, it is sufficient, in view of the fact that the President's proclamation fixing the tolls was silent on the subject, to quote the language used by the President in the memorandum attached to the Act at the time of signature, in which he says:[1]

> It is not, therefore, necessary to discuss the policy of such discrimination until the question may arise in the exercise of the President's discretion.

On this point no question has as yet arisen which, in the words of the existing arbitration treaty between the United States and Great Britain, "it may not have been possible to settle by diplomacy," and until then any suggestion of arbitration may well be regarded as premature.

It is not believed, however, that in the objection now under consideration Great Britain intends to question the right of the United States to exempt from the payment of tolls its vessels of war and other vessels engaged in the service of this Government. Great Britain does not challenge the right of the United States to protect the canal. United States vessels of war and those employed in government service are a part of our protective system. By the Hay-Pauncefote Treaty we assume the sole responsibility for its neutralization. It is inconceivable that this Government should be required to pay canal tolls for the vessels used for protecting the canal, which we alone must protect. The movement of United States vessels in executing governmental policies of protection are not susceptible of explanation or differentiation. The United States could not be called upon to explain what relation the movement of a particular vessel through the canal has to its protection. The British objection, therefore, is understood as having no relation to the use of the canal by vessels in the service of the United States Government.

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[1] Id., p. 478.

Regarding the first objection, the question presented by Sir Edward Grey arises solely upon the exemption in the Canal Act of vessels engaged in our coastwise trade.

On this point Sir Edward Grey says[1] that "His Majesty's Government do not question the right of the United States to grant subsidies to United States shipping generally, or to any particular branches of that shipping," and it is admitted in his note[2] that the exemption of certain classes of ships "would be a form of subsidy to those vessels"; but it appears from the note[3] that His Majesty's Government would regard that form of subsidy as objectionable under the treaty if the effect of such subsidy would be "to impose upon British or other foreign shipping an unfair share of the burden of the upkeep of the Canal, or to create a discrimination in respect of the conditions or charges of traffic, or otherwise to prejudice rights secured to British shipping by this Treaty."

It is not contended by Great Britain that equality of treatment has any reference to British participation in the coastwise trade of the United States, which, in accordance with general usage, is reserved to American ships. The objection is only to such exemption of that trade from toll payments as may adversely affect British rights to equal treatment in the payment of tolls, or to just and equitable tolls. It will be helpful here to recall that we are now only engaged in considering (quoting from Sir Edward Grey's note) "Whether the Panama Canal Act in its present form conflicts with the treaty rights to which His Majesty's Government maintain they are entitled,"[2] concerning which he concludes:[2]

> *These provisions* (1) clearly conflict with the rule embodied in the principle established in article 8 of the Clayton-Bulwer Treaty of equal treatment for British and United States ships, and (2) *would enable* tolls to be fixed which would not be just and equitable, and would therefore not comply with rule 1 of article 3 of the Hay-Pauncefote Treaty.

On the first of these points the objection of the British Government to the exemption of vessels engaged in the coastwise trade of the United States is stated as follows:[4]

> * * * the exemption will, in the opinion of His Majesty's Government, be a violation of the equal treatment secured by the treaty, as it will put the "coastwise trade" in a preferential position as regards other shipping. Coastwise trade cannot be circumscribed so completely that benefits conferred upon it will not affect vessels engaged in the foreign trade. To take an example, if cargo intended for an United States port beyond the Canal, either from east or west, and shipped on board a foreign ship could be sent to its destination more cheaply, through the operation of the proposed exemption, by being landed at an United States port before reaching the Canal, and then sent on as coastwise trade, shippers would benefit by adopting this course in preference to sending the goods direct to their destination through the Canal on board the foreign ship.

This objection must be read in connection with the views expressed by the British Government while this Act was pending in Congress, which were stated in the note of July 8, 1912 on the subject from Mr. Innes as follows:[5]

> As to the proposal that exemption shall be given to vessels engaged in the coastwise trade, a more difficult question arises. If the trade should be so regulated as to make it certain that only bona-fide coastwise traffic which is reserved for United States vessels would be benefited by this exemption, it may be that no objection could be taken.

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[1] Id., 486. [2] Id., 487. [3] Id., 386–487. [4] Id., 487–488. [5] Id., 470.

This statement may fairly be taken as an admission that this Government may exempt its vessels engaged in the coastwise trade from the payment of tolls, provided such extension be restricted to bona-fide coastwise traffic. As to this it is sufficient to say that obviously the United States is not to be denied the power to remit tolls to its own coastwise trade because of a suspicion or possibility that the regulations yet to be framed may not restrict this exemption to bona-fide coastwise traffic.

The answer to this objection, therefore, apart from any question of treaty interpretation, is that it rests on conjecture as to what may happen rather than upon proved facts, and does not present a question requiring submission to arbitration as it has not as yet passed beyond the stage where it can be profitably dealt with by diplomatic discussion. It will be remembered that only questions which it may not be possible to settle by diplomacy are required by our arbitration treaty to be referred to arbitration.

On this same point Sir Edward Grey urges another objection to the exemption of coastwise vessels as follows:[1]

> Again, although certain privileges are granted to vessels engaged in an exclusively coastwise trade, His Majesty's Government are given to understand that there is nothing in the laws of the United States which prevents any United States ship from combining foreign commerce with coastwise trade, and consequently from entering into direct competition with foreign vessels while remaining "prima facie" entitled to the privilege of free passage through the Canal. Moreover any restriction which may be deemed to be now applicable might at any time be removed by legislation or even perhaps by mere changes in the regulations.

This objection also raises a question which, apart from treaty interpretation, depends upon future conditions and facts not yet ascertained, and for the same reasons as are above stated its submission to arbitration at this time would be premature.

The second point of Sir Edward Grey's objection to the exemption of vessels engaged in coastwise trade remains to be considered. On this point he says[2] that the proisions of the Act "*would enable* tolls to be fixed which would not be just and equitable, and would therefore not comply with rule 1 of article 3 of the Hay-Pauncefote Treaty."

It will be observed that this statement evidently was framed without knowledge of the fact that the President's proclamation fixing the tolls had issued. It is not claimed in the note that the tolls actually fixed are not "just and equitable" or even that all vessels passing through the canal were not taken into account in fixing the amount of the tolls, but only that either or both contingencies are possible.

If the British contention is correct that the true construction of the treaty requires all traffic to be reckoned in fixing just and equitable tolls, it requires at least an allegation that the tolls as fixed are not just and equitable and that all traffic has not been reckoned in fixing them before the United States can be called upon to prove that this course was not followed, even assuming that the burden of proof would rest with the United States in any event, which is open to question. This Government welcomes the opportunity, however, of informing the British Government that the tolls fixed in the

[1] Id., 488. [2] Id., 487.

President's proclamation are based upon the computations set forth in the report of Professor Emory R. Johnson, a copy of which is forwarded herewith for delivery to Sir Edward Grey, and that the tolls which would be paid by American coastwise vessels, but for the exemption contained in the Act, were computed in determining the rate fixed by the President.

By reference to page 208 of Professor Johnson's report, it will be seen that the estimated net tonnage of shipping using the canal in 1915 is as follows:

	Tons.
Coast to coast American shipping	1,000,000
American shipping carrying foreign commerce of the United States	720,000
Foreign shipping carrying commerce of the United States and foreign countries	8,780,000

It was on this estimate that tolls fixed in the President's proclamation were based.

Sir Edward Grey says,[1] "This rule [1 of article 3 of the Hay-Pauncefote Treaty] also provides that the tolls should be 'just and equitable.' The purpose of these words," he adds, "was to limit the tolls to the amount representing the fair value of the services rendered, i. e., to the interest on the capital expended and the cost of the operation and maintenance of the Canal." If, as a matter of fact, the tolls now fixed (of which he seems unaware) do not exceed this requirement, and as heretofore pointed out there is no claim that they do, it is not apparent under Sir Edward Grey's contention how Great Britain could be receiving unjust and inequitable treatment if the United States favors its coastwise vessels by not collecting their share of the tolls necessary to meet the requirement. There is a very clear distinction between an omission to "take into account"[1] the coastwise tolls in order to determine a just and equitable rate, which is as far as this objection goes, and the remission of such tolls, or their collection coupled with their repayment in the form of a subsidy.

The exemption of the coastwise trade from tolls, or the refunding of tolls collected from the coastwise trade, is merely a subsidy granted by the United States to that trade, and the loss resulting from not collecting, or from refunding those tolls, will fall solely upon the United States. In the same way the loss will fall on the United States if the tolls fixed by the President's proclamation on all vessels represent less than the fair value of the service rendered, which must necessarily be the case for many years; and the United States will, therefore, be in the position of subsidizing or aiding not merely its own coastwise vessels, but foreign vessels as well.

Apart from the particular objections above considered, it is not understood that Sir Edward Grey questions the right of the United States to subsidize either its coastwise or its foreign shipping, inasmuch as he says[2] that His Majesty's Government do not find "either in the letter or in the spirit of the Hay-Pauncefote Treaty any surrender by either of the contracting Powers of the right to encourage its shipping or its commerce by such subsidies as it may deem expedient."

[1] Id., 486.

[2] Id., 482.

To summarize the whole matter: The British objections are, in the first place, about the Canal Act only; but the Canal Act does not fix the tolls. They ignore the President's proclamation fixing the tolls which puts at rest practically all of the suppositious injustice and inequality which Sir Edward Grey thinks might follow the administration of the Act, and concerning which he expresses so many and grave fears. Moreover, the gravamen of the complaint is not that the Canal Act will actually injure in its operation British shipping or destroy rights claimed for such shipping under the Hay-Pauncefote Treaty, but that such injury or destruction may possibly be the effect thereof; and further, and more particularly, Sir Edward Grey complains that the action of Congress in enacting the legislation under discussion foreshadows that Congress or the President may hereafter take some action which might be injurious to British shipping and destructive of its rights under the treaty. Concerning this possible future injury, it is only necessary to say that in the absence of an allegation of actual or certain impending injury, there appears nothing upon which to base a sound complaint. Concerning the infringement of rights claimed by Great Britain, it may be remarked that it would, of course, be idle to contend that Congress has not the power, or that the President, properly authorized by Congress, may not have the power to violate the terms of the Hay-Pauncefote Treaty, in its aspect as a rule of municipal law. Obviously, however, the fact that Congress has the power to do something contrary to the welfare of British shipping or that Congress has put or may put into the hands of the President the power to do something which may be contrary to the interests possessed by British shipping affords no just ground for complaint. It is the improper exercise of a power and not its possession which alone can give rise to an international cause of action; or to put it in terms of municipal law, it is not the possession of the power to trespass upon another's property which gives a right of action in trespass, but only the actual exercise of that power in committing the act of trespass itself.

When, and if, complaint is made by Great Britain that the effect of the act and the proclamation together will be to subject British vessels as a matter of fact to inequality of treatment, or to unjust and inequitable tolls in conflict with the terms of the Hay-Pauncefote Treaty, the question will then be raised as to whether the United States is bound by the treaty both to take into account and to collect tolls from American vessels, and also whether under the obligations of that treaty British vessels are entitled to equality of treatment in all respects with the vessels of the United States. Until these objections rest upon something more substantial than mere possibility, it is not believed that they should be submitted to arbitration. The existence of an arbitration treaty does not create a right of action; it merely provides a means of settlement to be resorted to only when other resources of diplomacy have failed. It is not now deemed necessary, therefore, to enter upon a discussion of the views entertained by Congress and by the President as to the meaning of the Hay-Pauncefote Treaty in relation to questions of fact which have not yet arisen, but may possibly arise in the future in connection with the administration of the Act under consideration.

It is recognized by this Government that the situation developed by the present discussion may require an examination by Great Britain into the facts above set forth as to the basis upon which the tolls fixed by the President's proclamation have been computed, and also into the regulations and restrictions circumscribing the coastwise trade of the United States, as well as into other facts bearing upon the situation, with the view of determining whether or not, as a matter of fact, under present conditions there is any ground for claiming that the Act and proclamation actually subject British vessels to inequality of treatment, or to unjust and inequitable tolls.

If it should be found as a result of such an examination on the part of Great Britain that a difference of opinion exists between the two Governments on any of the important questions of fact involved in this discussion, then a situation will have arisen, which, in the opinion of this Government, could with advantage be dealt with by referring the controversy to a Commission of Inquiry for examination and report, in the manner provided for in the unratified arbitration treaty of August 3, 1911, between the United States and Great Britain.[1]

The necessity for inquiring into questions of fact in their relation to controversies under diplomatic discussion was contemplated by both Parties in negotiating that treaty, which provides for the institution, as occasion arises, of a Joint High Commission of Inquiry, to which, upon the request of either Party, might be referred for impartial and conscientious investigation any controversy between them, the Commission being authorized upon such reference "to examine into and report upon the particular questions or matters referred to it, for the purpose of facilitating the solution of disputes by elucidating the facts, and to define the issues presented by such questions, and also to include in its report such recommendations and conclusions as may be appropriate."

This proposal might be carried out, should occasion arise for adopting it, either under a special agreement, or under the unratified arbitration treaty above mentioned, if Great Britain is prepared to join in ratifying that treaty, which the United States is prepared to do.

You will take an early opportunity to read this despatch to Sir Edward Grey; and if he should so desire, you will leave a copy of it with him.

I am [etc.]

P. C. KNOX.

File No. 811f. 812/400.

The British Ambassador to the Secretary of State.

BRITISH EMBASSY,
Washington, February 27, 1913.

SIR: His Majesty's Government are unable before the Administration leaves office to reply fully to the arguments contained in your despatch of the 17th ultimo to the United States Chargé d'Affaires at London regarding the difference of opinion that has arisen between

[1] Ratification advised by the Senate on March 5, 1912, but not yet ratified by the President; see Charles' Treaties, vol. 3, p. 485 et seq.

our two Governments as to the interpretation of the Hay-Pauncefote Treaty, but they desire me in the meantime to offer the following observations with regard to the argument that no case has yet arisen calling for any submission to arbitration of the points in difference between His Majesty's Government and that of the United States on the interpretation of the Hay-Pauncefote Treaty, because no actual injury has as yet resulted to any British interest and all that has been done so far is to pass an Act of Congress under which action held by His Majesty's Government to be prejudicial to British interests might be taken.

From this view His Majesty's Government feel bound to express their dissent. They conceive that international law or usage does not support the doctrine that the passing of a statute in contravention of a treaty right affords no ground of complaint for the infraction of that right, and that the nation which holds that its treaty rights have been so infringed or brought into question by a denial that they exist, must, before protesting and seeking a means of determining the point at issue, wait until some further action violating those rights in a concrete instance has been taken, which in the present instance would, according to your argument, seem to mean, until tolls have been actually levied upon British vessels from which vessels owned by citizens of the United States have been exempted.

The terms of the Proclamation issued by the President fixing the Canal tolls, and the particular method which your note sets forth as having been adopted by him, in his discretion, on a given occasion for determining on what basis they should be fixed do not appear to His Majesty's Government to affect the general issue as to the meaning of the Hay-Pauncefote Treaty which they have raised. In their view the Act of Congress, when it declared that no tolls should be levied on ships engaged in the coasting trade of the United States, and when, in further directing the President to fix those tolls within certain limits, it distinguished between vessels of the citizens of the United States and other vessels, was in itself and apart from any action which may be taken under it, inconsistent with the provisions of the Hay-Pauncefote Treaty for equality of treatment between the vessels of all nations. The exemption referred to appears to His Majesty's Government to conflict with the express words of Rule 1 of Article 3 of the Hay-Pauncefote Treaty, and the Act gave the President no power to modify or discontinue the exemption.

In their opinion the mere conferring by Congress of power to fix lower tolls on United States ships than on British ships amounts to a denial of the right of British shipping to equality of treatment, and is therefore inconsistent with the treaty irrespective of the particular way in which such power has been so far actually exercised.

In stating thus briefly their view of the compatibility of the Act of Congress with their Treaty rights His Majesty's Government hold that the difference which exists between the two Governments is clearly one which falls within the meaning of Article I of the Arbitration Treaty of 1908.

As respects the suggestion contained in the last paragraph but one of your note under reply His Majesty's Government conceive that Article I of the Treaty of 1908 so clearly meets the case that has now

arisen that it is sufficient to put its provisions in force in whatever manner the two Governments may find the most convenient. It is unnecessary to repeat that a reference to arbitration would be rendered superfluous if steps were taken by the United States Government to remove the objection entertained by His Majesty's Government to the Act.

His Majesty's Government have not desired me to argue in this note that the view they take of the main issue—the proper interpretation of the Hay-Pauncefote Treaty—is the correct view, but only that a case for the determination of that issue has already arisen and now exists. They conceive that the interest of both countries requires that issue to be settled promptly before the opening of the Canal, and by means which will leave no ground for regret or complaint. The avoidance of possible friction has been one of the main objects of those methods of arbitration of which the United States has been for so long a foremost and consistent advocate. His Majesty's Government think it more in accordance with the General Arbitration Treaty that the settlement desired should precede rather than follow the doing of any acts, which could raise questions of actual damage suffered; and better also that when vessels begin to pass through the great waterway in whose construction all the world has been interested there should be left subsisting no cause of difference which could prevent any other nation from joining without reserve in the satisfaction the people of the United States will feel at the completion of a work of such grandeur and utility.

I have [etc.]

JAMES BRYCE.

EXTRADITION ARRANGEMENT EFFECTED BY EXCHANGE OF NOTES BETWEEN THE UNITED STATES AND GREAT BRITAIN, PROVIDING FOR EXTRADITION BETWEEN THE PHILIPPINE ISLANDS OR GUAM AND BRITISH NORTH BORNEO. SIGNED SEPTEMBER 1–23, 1913.

File No. 211.41/15.

The British Ambassador to the Secretary of State.

No. 231.] BRITISH EMBASSY,
Dublin, N. H., Sept. 1, 1913.

SIR: Under instructions from my Government I have the honour to request you to be so good as to inform me whether the United States Government would be willing to enter into an arrangement with the Government of His Britannic Majesty by virtue of which fugitive offenders from the Philippine Islands or Guam to the State of North Borneo, or from the State of North Borneo to the Philippine Islands or Guam shall be reciprocally surrendered for offences specified in the existing treaties of extradition between the United States and His Britannic Majesty, so far as such offences are punishable both by the laws of the Philippine Islands or Guam and by the laws of the State of North Borneo.

Should your Government agree to this arrangement I should be glad to receive from you an assurance that this note will be consid-

ered by the United States Government as a sufficient confirmation thereof on the part of His Britannic Majesty's Government.

I have [etc.]

CECIL SPRING RICE.

File No. 211.41/15.

The Secretary of State to the British Ambassador.

No. 139.] DEPARTMENT OF STATE,
Washington, September 23, 1913.

EXCELLENCY: I have the honor to acknowledge the receipt of your note No. 231, of the 1st instant, in which, under instructions from your Government, you inquire whether the Government of the United States would be willing to enter into an arrangement with the Government of His Britannic Majesty by virtue of which fugitive offenders from the Philippine Islands or Guam to the State of North Borneo or from the State of North Borneo to the Philippine Islands or Guam shall be reciprocally surrendered for offenses specified in the existing treaties of extradition between the United States and His Britannic Majesty, so far as such offenses are punishable both by the laws of the Philippine Islands or Guam and by the laws of the State of North Borneo; and you ask that, in case the Government of the United States agrees to this arrangement, you receive from me an assurance that your note will be considered by the Government of the United States as a sufficient confirmation thereof on the part of His Britannic Majesty's Government.

In reply I am happy to state that the Government of the United States agrees to the arrangement between the Government of the United States and the Government of His Britannic Majesty by which it is understood that fugitive offenders from the Philippine Islands or Guam to British North Borneo and from British North Borneo to the Philippine Islands or Guam shall be reciprocally delivered up for offenses specified in the extradition treaties between the United States and His Britannic Majesty's Government so far as such offenses are punishable both by the laws of the Philippine Islands or Guam and by the laws of British North Borneo; and accepts your excellency's note as a sufficient confirmation of the arrangement on the part of His Britannic Majesty's Government.

Accordingly, the Government of the United States understands the arrangement to be completed by this present note and to be in full force and effect from and after September 23, 1913.

I have [etc.]

W. J. BRYAN.

GREECE.

WAR WITH TURKEY.

See Turkey.

WAR WITH BULGARIA.

See Bulgaria.

ASSASSINATION OF KING GEORGE I. ACCESSION TO THE THRONE OF KING CONSTANTINE.

File No. 868.001 G 29/2.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Athens, March 18, 1913.

Reports that King George was shot and killed this afternoon at Saloniki. While walking with an aide de camp a Greek socialist shot him through the heart from behind a wall. The Queen will return to Saloniki tonight from Athens where she just arrived.

SCHURMAN.

File No. 868.001 G 29/2A.

The President to Queen Olga.

[Telegram.]

WHITE HOUSE,
Washington, March 18, 1913.

I am inexpressibly shocked to hear of the terrible crime which has resulted in the death of the King, and I offer to Your Majesty, to the royal family and to the Grecian nation the sincere condolences of the Government and people of the United States and the expression of my own deep sympathy.

WOODROW WILSON.

File No. 868.001 G 29/2.

The Acting Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, March 19, 1913.

Informs him that the President has expressed his condolence on the death of the King in a telegram to the Queen. Instructs him to convey to the Government the sentiments of horror and sorrow felt by this Government.

HUNTINGTON WILSON.

File No. 868.001 G 29/3.

The Chargé d'Affaires of Greece to the Secretary of State.

[Translation.]

ROYAL GREEK LEGATION,
Washington, March 19, 1913.

I make it my painful duty to inform your excellency that my Sovereign, George I, King of the Hellenes, died yesterday at Saloniki, in the afternoon, from the effects of an attempt on His August Person.

Be pleased [etc.]

A. VOUROS.

File No. 868.001 G 29/4.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Athens, March 19, 1913.

The Queen received the President's message of condolence just before she left for Saloniki. It was the first message to arrive from any foreign country and has been published conspicuously by the afternoon newspapers.

SCHURMAN.

File No. 868.001 G 29/3.

The Acting Secretary of State to the Chargé d'Affaires of Greece.

No. 154.] DEPARTMENT OF STATE,
Washington, March 20, 1913.

SIR: I have had the honor to receive your note of the 19th instant officially communicating the sad intelligence of the death at the hand of an assassin of the late King of Greece.

When the first news of this lamentable event reached the United States on the 18th instant, the President, inexpressibly shocked to hear of the terrible crime, at once, by cable, offered to Her Majesty Queen Olga, to the royal family and to the Greek nation, the expression of his own sympathy and the sincere condolences of the Government and people of the United States; and on the same day the American Minister at Athens was by cable instructed to convey to the Greek Government and Chambers the sentiments of horror and sorrow felt by the Government of the United States.

To these I desire to add the expression of my own deep sympathy.

Accept [etc.]

ALVEY A. ADEE.

File No. 868.001 G 29/5,

Queen Olga to the President.

[Telegram.]

SALONIKI, *March 21, 1913.*

I beg you to accept and transmit to the Government and people of the United States the Greek nation's, my family's and my own sincerest thanks for your heartfelt sympathy in our most crushing grief.

OLGA.

File No. 868.001 C 76.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Athens, March 21, 1913.

Reports that King Constantine took the oath this day before the Cabinet, Representatives, Diplomatic Corps, Metropolitan and clergy and citizens. Great enthusiasm was shown over the new King, but on account of universal mourning public expression is withheld.

SCHURMAN.

File No. 868.001 G 29/15A.

The President to King Constantine.

[Telegram.]

THE WHITE HOUSE,
Washington, March 21, 1913.

On this sad occasion of the death of your illustrious Father I extend heartfelt sympathy and I wish to express the earnest hope that Your beneficent reign will mark an era of great prosperity. I also offer to Your Majesty the assurances of my highest regard and good wishes.

WOODROW WILSON.

File No. 868.001 G 29/9.

King Constantine to the President.

[Telegram.]

SALONIKI, *March 24, 1913.*

Deeply touched by your kind sympathy and good wishes. Send sincere and heartfelt thanks.

CONSTANTINE.

File No. 868.001 G 29/7.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Athens, March 25, 1913.

The Ministers have been invited to be present at the reception of the King's body at the Piraeus March 26, 3 p. m. The funeral will take place on April second.

SCHURMAN.

File No. 868.001 G 29/7.

The Acting Secretary of State to the American Minister.

[Telegram.]

DEPARTMENT OF STATE,
Washington, March 26, 1913.

You are hereby accredited as special and personal representative of the President to attend the funeral of the late King on April second.

Inform Foreign Office.

ALVEY A. ADEE.

File No. 868.001 G 29/10.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Athens, March 28, 1913.

Reports that the body of the King arrived at the Piraeus yesterday, having been delayed one day on account of fog. There was an impressive procession at Athens, the streets were lined with soldiers, while the houses and sidewalks were crowded with spectators. A short service was held at the cathedral in the presence of the Royal family, the Holy Synod, the Cabinet, Diplomatic Corps and officials.

Thanks the President for his appointment as special representative.

SCHURMAN.

File No. 868.001 G 29/18.

King Constantine to the President.

[Translation.]

VERY DEAR AND GREAT FRIEND: In the most profound sorrow I confirm to you the sad intelligence of the death of my very dear and venerated father, His Majesty George I, King of the Hellenes, who died on March 5/18 last at Saloniki, the victim of a heinous crime, after a prosperous and glorious reign of fifty years. The spontaneous evi-

dence of your sentiments you gave me by directing Mr. J. G. Schurman, Envoy Extraordinary and Minister Plenipotentiary of the United States of America to represent you at the obsequies of my well beloved father and to voice your heartfelt condolences for the harrowing bereavement I have just undergone, has profoundly moved me. I therefore have it at heart to express to you my deeply felt gratitude for that mark of attention. Called to the Throne of Greece by the order of succession, I have just taken the reins of the Government. I beg you to feel assured that I shall take the utmost pains to maintain and draw closer and closer the excellent relations which so happily exist between Greece and the United States of America. Convinced that you will not deny me your invaluable assistance in achieving this undertaking of so great advantage to our two countries, I beg you, very dear and great friend, to accept assurances of my high esteem and enduring friendship.

Written at Athens, April 20/May 3, 1913.

CONSTANTINE.
L. COROMILAS.

File No. 868.001 G 29/18.

The Acting Secretary of State to the American Minister.

No. 37.] DEPARTMENT OF STATE,
Washington, July 24, 1913.

SIR: I inclose, with office copy, a letter addressed by the President to the King of the Hellenes, acknowledging His Majesty's letter in which he informed the President of the death, at the hands of an assassin, of His Majesty George I, King of the Hellenes, and his accession to the throne.

You will forward the copy to the Foreign Office and deliver the original in the manner most agreeable to His Majesty.

I am [etc.]

J. B. MOORE.

[Inclosure.]

The President to King Constantine.

GREAT AND GOOD FRIEND: I have received the letter in which Your Majesty advised me of the death on the 5/18 of May [March] last, at the hands of an assassin, of Your Majesty's dearly beloved father, His Majesty George I, King of the Hellenes, and your accession to the throne.

In expressing my sincere and heartfelt sympathy for Your Majesty's family and the people of Greece in their sad bereavement, I must at the same time give utterance to the satisfaction with which I received the announcement that you had ascended to the throne, and assure Your Majesty that your wishes for the continuance of the friendly relations subsisting between the two countries are fully appreciated and cordially reciprocated.

May God have Your Majesty in His safe and holy keeping.

Your Good Friend,

WOODROW WILSON.

By the President:
W. J. BRYAN,
Secretary of State.

Washington, July 15, 1913.

GUATEMALA.

MESSAGE OF THE PRESIDENT, MANUEL ESTRADA CABRERA, TO THE NATIONAL LEGISLATIVE ASSEMBLY.

File No. 814.032/2.

NOTE.—The message of President Manuel Estrada C. was read to the National Legislative Assembly March 1, 1913, and transmitted to the Secretary of State March 8, 1913 by the American Chargé d'Affaires, Mr. Wilson. The following are the only passages referring to the United States:

[Translation.]

Our relations with the great Republic of the United States of North America become every day closer, not only on account of the facilities offered by the maritime and railway communications, but also due to the increase of our commercial relations which are the logical consequence thereof, and to the interest which the American people feel for a new and industrious country placed but three days journey from their ports. A conclusive proof of this felicitous circumstance and of the friendly relations which unite both peoples and Governments was the visit with which his excellency the Secretary of State, in behalf of His Excellency the President of the United States of America, honored Guatemala in the month of March of last year: a high distinction which the Government and whole country appreciated in all its worth and which it endeavored to return in the most appropriate form. As the Honorable Assembly was holding sessions at that time of the year it also received the distinguished American statesman in its midst, and the Government hastened to respond to the courtesy of His Excellency the President of that friendly nation, by commissioning the Secretary of State in the Department of Foreign Affairs personally to make known to the Government of Washington the gratitude of the nation and of the administration that governs it.

* * * * * * *

And finally, the labor which has been undertaken by the Department of Finance and Public Credit for the financial reorganization of the country, is about to receive a conclusive resolution, and I hope, if such an event be realized during the present session of the Honorable Assembly, that I have accomplished one of my most earnest aspirations: to fulfill the only promise left to be discharged of those which I made to the nation when I entered its service which I have not yet been able to perform, due to causes stronger than my constant and sincere wish, but which today is near such a solution as is better suited to the sacred interests of the nation.

FINANCIAL AFFAIRS: RESTITUTION OF THE COFFEE REVENUES TO BRITISH BONDHOLDERS; GOOD OFFICES OF THE UNITED STATES.[1]

File No. 814.51/199.

The Secretary of State to the British Ambassador.

DEPARTMENT OF STATE,
Washington, January 6, 1913.

MY DEAR MR. AMBASSADOR: I have the honor to acknowledge the receipt of your excellency's note of December 30, 1912,[2] communicating, in reply to this Department's memorandum of December 3, 1912,[3] on the subject of the Guatemalan debt, the desire of the British Government to have the question arbitrated or the coffee revenues restored.

I enclose herewith a copy of the Unified Loan Agreement[4] negotiated between reputable American bankers and the Government of Guatemala. I also enclose extracts from a letter[5] addressed to Mr. Cooper on December 26, 1912, by Mr. Frederick Strauss of J. and W. Seligman and Company. I hope that you will see fit to telegraph to the Foreign Office a brief outline of the salient and favorable features of the agreement recommending the earnest consideration of the proposal and that as Mr. Cooper already has a copy of it the Foreign Office should consult him and study his copy in order to avoid unfortunate delay.

I would also be pleased if your excellency would strongly urge the adoption of this plan, pointing out the deep concern of this Government in the carrying out by this means of its broad policy with regard to Central America where its interests are necessarily of predominant importance.

I have been surprised at the lack of any information in your note tending to show that the Foreign Office has given any consideration to the proposal outlined in the Department's memorandum of December 3d. Pending additional indications as to the ultimate decision of Great Britain with regard to this Unified Loan Agreement, which will also be submitted to the Foreign Office by the American Embassy in London, I have decided for the present to refrain from replying further to your excellency's note of December 30th. I may add, however, that it will cause me considerable surprise if the British Government, after receiving a copy of this loan agreement, should fail to give it the favorable consideration which I believe it merits.

I am [etc.]

P. C. KNOX.

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[1] Continued from For. Rel. 1912, pp. 500–511.
[2] For. Rel. 1912, p. 510.
[3] Id. 508.
[4] Not printed.
[5] Printed as inclosure to the Secretary's No. 1828, of January 7, see p. 561.

File No. 814.51/203A.

The Secretary of State to the American Chargé d'Affaires at London.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, January 7, 1913.

A long instruction is being sent to you concerning the rehabilitation of the finances of Guatemala. Copies of the loan agreement submitted by American bankers to the Council of foreign bondholders will be inclosed. Pending arrival of the above you will at once orally express to the Foreign Office the deep interest of this Government in the plan for the rehabilitation of the finances of Guatemala. Make it clear that the Government of the United States feels sure that when the facts and circumstances are understood the British Government will examine the question from a much broader point of view and will give friendlier consideration to the predominant interests of the United States in the Caribbean republics, from which the pending question regarding Guatemala cannot be separated. Express the hope that, pending the fuller representations which you will make upon receipt of further instructions, the Foreign Office will confer with the Council of foreign bondholders, to whom a copy of the arrangements as affecting British subjects has been sent.

KNOX.

File No. 814.51/199.

The Secretary of State to the American Chargé d'Affaires at London.

No. 1828.] DEPARTMENT OF STATE,
Washington, January 7, 1913.

SIR: With reference to the Department's instruction of December 6, 1912,[1] on the subject of the Guatemalan debt, you are now informed that a note from the British Embassy, dated December 30, 1912,[2] and purporting to reply to the Department's memorandum of December 3, 1912,[3] has now been received. A copy thereof, together with the Department's reply, is enclosed herewith for your information. Two copies of the Unified Loan Agreement arranged between the American bankers and the Government of Guatemala are also enclosed,[4] one for the files of the Embassy and one for communication to the Foreign Office. The Department is also enclosing extracts from a letter addressed by Mr. Frederick Strauss, of Messrs. J. and W. Seligman and Company, to Mr. Cooper, of the Council of Foreign Bondholders, on December 26, 1912, which shows clearly the character of the proposed loan agreement and the consideration of the bankers for the bondholders in not wishing to have the agreement signed until after the Council shall have recommended it to the bondholders, nor ratified by the Congress of Guatemala until after having been favorably voted upon by the bondholders themselves.

The British Embassy's note of December 30th is most surprising to this Government. As has been pointed out orally to Mr. Mitchell

[1] For. Rel. 1912, p. 508. [2] Id., 510. [3] Id., 508 510. [4] Not printed.

Innes of the British Embassy, the attitude of Great Britain in demanding one and only one solution of the difficulty, especially when the solution is one likely to block the development of a well-recognized policy of the United States in a sphere in which this Government is preeminently interested, would not appear consistent with even an ordinary regard for the broad interests and policies of the United States.

Considering, moreover, the special circumstances of the case, it is the judgment of the Department that in all probability the arrangement submitted by the bankers would secure to the bondholders better returns upon their money than any other measure which the Government of Guatemala could be induced to accept. You will note upon study of the Unified Loan Agreement, that, as pointed out in the Department's instruction of December 6th, it provides for the collection of the customs by an agency to be appointed by the bankers and through a system of certificates which are issuable only by the customs agency, thus assuring the direct payment to the agency of all the revenues derived from the export duty on coffee and from all the import duties payable in gold. Your attention is also directed to articles 7 and 14 of the agreement. The Department believes that the loan contemplated by this agreement will be sufficiently well secured to relieve the bondholders of any fears such as they have felt in the past for the payment of the interest and prinicpal of the loan. Arbitration, on the other hand, could have at best only results of doubtful value. Even should it result in the restitution of the coffee revenues there would be no guaranty that what has occurred in the past would not recur in the future, namely, that the export tax on coffee might be reduced or the revenues diverted to other uses. And the delay incident to such an arbitration and the fulfilment of an arbitral award should also be contrasted with the present proposal to give the British bondholders new four-per-cent bonds in exchange, bond for bond, for their present four-per-cent bonds. The new bonds should pay regular interest and be redeemed at par through the operation of the sinking fund. This offer, as stated in Mr. Strauss' letter to Mr. Cooper, is considerably more favorable to the bondholders than the offer first contemplated by President Cabrera, viz: five-per-cent bonds to the amount of seventy-five per cent of their present holdings, instead of bond for bond.

Emphasis should be laid upon the fact that although the new loan will be not quite four times so large as the present British loan, the security behind it will be four times as great, and that by accepting the loan agreement the British bondholders will enter upon the enjoyment as security not only of the very coffee revenues the specific restitution of which the Foreign Office demands, but also of various other additional revenues.

The Department has stated orally to Mr. Mitchell Innes that it could not accede to the request of Great Britain that it should support the British demand for arbitration or for specific performance in restoring the coffee revenues. The British Embassy appears to be laboring under the misapprehension that this Government had already promised such support. What it actually agreed to in September, when asking a delay of twenty days in which Guatemala might negotiate through American bankers a satisfactory arrange-

ment for financial rehabilitation that should include provision for an equitable settlement of just British and other claims, was informally to urge the British Government to desist from pressing its demand for arbitration for the period, and that at the expiration of that period "this Government *in the present circumstances* will regret to find itself absolutely unwilling further to intervene in the matter."[1] Although Guatemala did not succeed in concluding such negotiations within the specified time, it now appears to have done so in a manner regardful of all equitable and just British pretensions while calculated to further the fulfilment of that broad policy of financial rehabilitation in Central America in which this Government has such a deep interest.

Thus the circumstances materially changed, and the turn of events for which this Government had hoped appears to have occurred. The Government of the United States, therefore, is greatly interested in seeing the loan agreement, which contemplates also the placing of Guatemala's currency upon a gold basis, become an accomplished fact and it believes that if the British bondholders will promptly accept the Unified Loan Agreement, the Government of Guatemala will adopt it.

The Department desires you to seek an early interview with Sir Edward Grey to urge him to study carefully the Unified Loan Agreement, a copy of which you will hand him and with which he should already be familiar through consultation with Mr. Cooper, and to consider the question upon a broad basis of international policy. You will point out to him the fact that the Department considers that Great Britain should now show a fuller appreciation of this Government's deep and predominant interest in the region of the Caribbean; that it is most desirous of seeing this financial plan accomplished; that it believes the agreement offers the bondholders immediately adequate security upon a basis more satisfactory than any they could probably obtain after extended delays; that this Government only agreed to support the British demands in case this agreement should fail of adoption in Guatemala after having been accepted by the bondholders; and that in view of all these circumstances this Government earnestly hopes that the Foreign Office will recommend to the Council of Foreign Bondholders the acceptance of the Unified Loan Agreement.

In short, you will not conceal from the Secretary of State for Foreign Affairs the fact that the Government of the United States feels very earnestly in this matter and expects the British Government to consider it from a broader and friendlier viewpoint than appears to have been the case hitherto, when doubtless the importance attached to the subject had not been clearly understood. In the course of your conversation it will doubtless occur to you to give point to the attitude of this Government by the discreet suggestion that the British Government would doubtless be amazed if in some country correspondingly within a sphere of special British interest the Government of the United States should press arbitrarily for a specific solution of a question involving American citizens without any regard for the broad interests and policies of the State, in such a case Great Britain, in whose sphere of special interest the controversy had

[1] For. Rel. 1912, pp. 502 and 503–504.

arisen. The argument indicated is hardly answerable, especially when it is borne in mind that in the case of the rights of the British bondholders the proposed arrangement offers them an alternative consideration quite as advantageous if not, indeed, more advantageous than would be obtained in the opinion of this Department by the specific solution for which the British Government presses to the great inconvenience of the interests of the United States.

You will add, should Sir Edward Grey not respond favorably, that this Government has already been much surprised at the apparent failure of the Foreign Office even to consider the loan agreement as outlined in the Department's memorandum of December 3rd, and that in view of its failure to do so, this Government feels obliged to decline to support the demand of the British Government for the arbitration of the matter.

I am [etc.] P. C. KNOX.

[Inclosure—Extract.]

Mr. Frederick Strauss to the Secretary of the Council of Foreign Bondholders.

DECEMBER 26, 1912.

DEAR MR. COOPER: Herewith I enclose a copy of Unified Loan Agreement between the Republic of Guatemala and Speyer and Company and J. and W. Seligman and Company. This agreement has been under negotiation for some weeks and is now, I believe, in satisfactory shape. We are informed that the President of Guatemala is in a mood to sign this agreement without undue delay and to recommend its ratification by Congress. If our information is correct, this is a condition of affairs that should not be permitted to go by.

Permit me to point out that the revenues pledged under the agreement in question will be collected by an American Customs Agency. And that the bonds proposed to be issued will thus bear a character giving them greater value, both intrinsically and marketwise, than could be hoped for under any other form of collection. It is proposed to give to the English bondholders an amount in new 4% bonds equal to the principal of the existing bonds. Former agreements contemplated less than the par value in 5% bonds; the change to par in 4% bonds was at my urgent request, in order to meet the intimation you gave me while in New York that you would not look with favor on a settlement that reduced the par value of existing bonds. You will see that I have succeeded in getting what you prefer. You will observe in the schedule attached to the agreement a statement of the revenues pledged. These revenues are pledged not only for the 4% bonds to be given to the English bondholders, but also for the 5% bonds to be issued as soon as practicable; the proceeds of the 5% bonds are to be used for the reform of Guatemalan currency, for furnishing cash to Guatemala and for the settlement of its debts. The revenues are, you will notice, ample, amounting for 1912 to twice the service of the loan on bonds presently to be issued, without taking account of the increased coffee duty, raised on September 18, 1912, from $1 to $1.50 gold per quintal of cleaned coffee and from $0.80 to $1.20 gold for uncleaned coffee.

I further direct your attention to the concluding paragraph of article 14, authorizing the Customs Agency "to invoke and obtain from the national Government of the bankers such further protection and aid as circumstances may render requisite."

A copy of this agreement will no doubt in due course reach you through the British Foreign Office, which will have obtained it through the State Department of the United States. Whether in the present state of the negotiations it is for the Council of Foreign Bondholders to give its answer through the British Foreign Office and thus through the Department of State and our firm at Guatemala, or to Guatemala through our firm direct, is a question of etiquette that I cannot undertake to answer. What I wish to emphasize is the importance of a prompt answer through either channel, if advantage is to be taken of what seems a favorable opportunity for settling this vexatious matter. What we

require in the first instance is the statement from you that the Council of Foreign Bondholders is prepared to recommend the settlement to its bondholders. This having been done, nothing further will be required until President Cabrera has signed the agreement, whereupon we will notify you, so that a meeting of the bondholders may be called in London to approve the action of the Council. As soon as this formal approval has been had, President Cabrera will under the agreements be obligated, on notice from us, to submit the arrangement to Congress, and, if our information is correct, Congress is likely to approve whatever the President recommends. * * *

Very truly yours,

FREDERICK STRAUSS.

P. S. In rereading the letter, I note that I have made no reference to the arrears of interest. The Government of Guatemala has absolutely declined to make any further concession.

File No. 814.51/210.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Guatemala, January 12, 1913.

The Guatemalan Government has been informed that the British Government refuses to consider a just arrangement for converting the external debt of Guatemala and thereby make it possible to reorganize the finances and currency of that country, and is painfully surprised thereat. If the Department considers it advisable the Guatemalan Government will send a special financial and diplomatic agent to London. The Foreign Office desires to know whether you have any advices since December 28, 1912.

HITT.

File No. 814.51/208.

The Secretary of State to the American Chargé d'Affairs at London.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, January 13, 1913.

The American bankers have been advised by Cooper that the Council of foreign bondholders cannot consider any proposal unless submitted and approved by the British Foreign Office. It is important that the agreement be approved promptly by the Foreign Office. Copy of the agreement was sent with instructions of January 7. In the meantime Cooper's copy should be available to the Foreign Office.

KNOX.

File No. 814.51/210.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, January 14, 1913.

The refusal of the British Government referred to in your telegram of January 12 is regarded as tentative. Since a copy of the

agreement is at the disposal of the British Foreign Office a favorable reply is hoped for. The Department considers the sending of a special Guatemalan agent to London not to be of any advantage.

KNOX.

File No. 814.51/211.

The American Chargé d'Affaires at London to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
London, January 14, 1913.

Reports that he complied with Department's instructions of January 13 in an interview with Sir Edward Grey.

LAUGHLIN.

File No. 814.51/211.

The Secretary of State to the American Chargé d'Affaires at London.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, January 14, 1913.

Asks to be informed how the Foreign Office received his representations and whether it agrees to confer with Cooper. The present opportunity to secure the rehabilitation of the finances of Guatemala, which appear now to depend almost wholly upon the British Foreign Office, seems to be better than any likely to arise in the near future and the Department most earnestly hopes that it will not be lost through British insistence upon arbitration.

KNOX.

File No. 814.51/212.

The American Chargé d'Affaires at London to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
London, January 15, 1913.

Reports, in reply to Department's telegram of the 14th instant, that he had an interview with Sir Edward Grey and understood that he would confer with Cooper. His representations were received amiably but he does not hope for the consent of the British Government. He informed Sir Edward Grey that his representations were merely preparatory and he would be more fully informed of the situation after detailed instructions had been received from the Department.

The Foreign Office seems to have a complete distrust of any negotiations with the President of Guatemala other than the insistence on the restoration of the coffee revenues. The Foreign Office appears loath to depart from the fixed purpose of having the coffee revenues restored, for fear that they would abandon a secure position for one of great uncertainty.

LAUGHLIN.

File No. 814.51/213.

The American Chargé d'Affaires at London to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
London, January 16, 1913.

Acknowledges receipt of Department's instruction No. 1828 and reports that he explained the situation in detail to Sir Edward Grey in conformity therewith, emphasizing the deep interest of the United States in the success of the loan and the importance of immediate action. In handing a copy of the loan contract to Sir Edward he requested him to examine it and to judge for himself as to the protection afforded the British bondholders and to give his assent to the agreement.

Sir Edward stated in the course of the conversation that the chief concern of the British Government in this matter was its unwillingness to abandon a position of comparative security for one of uncertainty in the chances of success of the loan agreement: to which the Chargé replied that the Department was convinced that the agreement would be successful with his support if prompt action were taken, and in case of failure he felt sure the Department would support the British contention for the restitution of the coffee revenues. An early reply was promised.

LAUGHLIN.

File No. 814.51/213.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, January 18, 1913.

Advises him that the British Foreign Office seems to be better disposed toward the Guatemala loan agreement. The Department would deplore it if the Guatemalan Government should send a special agent to London, as that might furnish a possible excuse for delay.

KNOX.

File No. 814.51/213.

The Secretary of State to the American Chargé d'Affaires at London.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, January 18, 1913.

If further discussion with the British Foreign Office about the Guatemalan loan contract should prove necessary, his attention is directed to portions of instructions of December 6 and January 7 showing greater permanency and certainty as opposed to restitution of coffee revenues. This Government is not asking the Foreign Office

definitely to abandon its position, only in case the loan agreement goes into effect. All that seems to be necessary now to complete the contract is the recommendation by the Council of Foreign Bondholders to the bondholders, but the Council seems to be unwilling to act unless advised by the Foreign Office to do so. If the bondholders agree to the arrangement and the agreement then fail, this Government will be ready to support the British as stated in the memorandum of December 3. At the same time this Government can hardly be expected to abandon so important a step in an important policy when it seems to be upon the point of fulfillment. The present administration is most anxious to see the matter concluded and would deplore any further delay.

KNOX.

File No. 814.51/221.

The American Chargé d'Affaires at London to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
London, January 27, 1913.

Sir Edward Grey today gave me his answer on the Guatemalan loan. He stated that the most careful and willing consideration had been given to the Department's representations, with the earnest wish to meet the desires of the Department, but the Foreign Office did not see its way clear to make the desired recommendations to the bondholders: that the British Government was convinced of the bad faith of the President of Guatemala and could not bring itself to believe in the possibility of success of the loan negotiations; that he had every reason to believe that the Government of Guatemala seemed to be favorable to the loan negotiations in order to avoid a settlement of its obligations. A memorandum[1] was handed to Mr. Laughlin. [Quotation therefrom.]

LAUGHLIN.

File No. 814.51/225.

The American Chargé d'Affaires at London to the Secretary of State.

[Extract.]

No. 2202.] AMERICAN EMBASSY,
London, January 28, 1913.

SIR: With reference to my telegram of the 27th instant, I have the honor to transmit herewith enclosed the memorandum on the Guatemalan loan which Sir Edward Grey handed me at the interview upon which I reported yesterday.

I think there is very little by way of comment that I can add to the several telegrams on this subject which I have already had occasion to despatch, but I venture to say that while I did not feel very sanguine of the Foreign Office's consent to support the proposed loan agreement, the disposition Sir E. Grey showed at the interview

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[1] See next page.

I had with him on the 16th instant had led me to hope for an answer somewhat different from the one he gave me yesterday; and even at yesterday's interview I got the impression that the conclusion he expressed had not been arrived at on the merits of the loan agreement scheme alone or entirely on his own judgment. * * *

I have [etc.]

IRWIN LAUGHLIN.

[Inclosure.]

Memorandum from the British Foreign Office.

His Majesty's Government have had under careful consideration the arguments advanced by the State Department in favour of a scheme for the conversion of the Guatemala debt by means of a loan to be issued by United States bankers.

In the opinion of His Majesty's Government the case for the British bondholders is a particularly strong one. The 1895 loan, in which was included the whole of the internal as well as the external debt of Guatemala then outstanding, was issued on the security of the coffee duties, which were assigned by the loan contract for the service of the debt. Shortly after the issue the Guatemalan Government arbitrarily withdrew the security and for the past fourteen years have paid no interest at all in spite of the fact which appears from the figures supplied to the State Department by Messrs. Seligman & Company that the average receipts from the coffee duties for the last ten years would have sufficed to pay the interest nearly three times over.

The bondholders however being unable themselves to obtain any satisfaction have placed their interests unreservedly in the hands of His Majesty's Government with the request that His Majesty's Government will sustain their right to the restitution of their security.

His Majesty's Government having failed to secure such restitution by means of direct negotiations with the Guatemalan Government invoked the good offices of the United States Government to move the Guatemalan Government to refer the matter to arbitration. To this request the United States Government at first showed a disposition to accede, and a strong note was addressed by the State Department to the Guatemalan Government. Subsequently however the State Department have assumed a different attitude and they now require as a condition of their assistance that the British bondholders should agree to join in a conversion scheme which certain United States financiers are endeavouring to persuade the President of Guatemala to conclude.

In regard to the proposed scheme it should be noted that the offer which the bondholders are invited to accept is not a firm offer but is conditional upon the assent not only of the President, but also of the Congress of Guatemala being obtained. Moreover, if the bondholders were to adopt this scheme they would be renouncing the clearly defined position they at present occupy, in which they are sustained by every principle of legal and moral right. In this connection His Majesty's Government are bound to remember the failure of a similar scheme in Honduras when the British bondholders were induced to abandon an agreement concluded by them with the President of Honduras, since which time they have received no payments at all.

His Majesty's Government are aware that the proposed conversion is not regarded with favour by Guatemalans in general nor by the President in particular, since the loss of control of the national finances would deprive the latter of the means of defraying the expenses incidental to his conduct of the affairs of his country.

Ever since the first conversion proposal was made by United States financiers some three and a half years ago the President has done all in his power to evade either having to conclude an agreement or to refuse point blank to do so. His success so far has been remarkable and it is highly improbable that he would at this moment give up a point which he has contested with such pertinacity. His encouragement of the scheme proposed by the United States financiers is therefore presumably due to his apprehension that His Majesty's Government intended to press the claim and to his desire to prevent it from receiv-

ing any support from the United States Government, and is in itself no guaranty that the scheme will be carried into effect. The State Department indeed assert that the attitude of His Majesty's Government and of the bondholders is preventing the conclusion of the agreement, but it is important to note that in none of the previous negotiations extending over three and a half years had it been thought necessary by the United States Government to consult the wishes of the British bondholders at all, or has it been suggested that its success depended upon their consent. After the experience in Honduras it would not be reasonable to place upon British bondholders the responsibility for failure of similar schemes.

In these circumstances, and in view of the fact already explained to the United States Government, that it would be entirely contrary to the practice of His Majesty's Government to recommend to the bondholders any form of financial arrangement affecting the value of their bonds, His Majesty's Government, whilst deeply regretting that the United States Government feel unable to join them in requesting the Guatemalan Government to refer the question to arbitration, have no option but to adopt such measures as may be best calculated to obtain satisfaction from the Guatemalan Government.

If it is decided to publish the correspondence on this subject, His Majesty's Government will not fail to refer to the United States Government in due course any communications which have been received from them, and which it may be desired to include in the Blue Book.

His Majesty's Government very much regret that they are unable to urge the bondholders to agree to the scheme proposed by the United States Government, especially as the United States Government is so much in favour of it, but they cannot for the reasons given above share the hopes of its success and ask the bondholders to abandon even temporarily the claim to the restitution of the coffee duties, to which they are clearly entitled.

FOREIGN OFFICE,
January —, 1913.

File No. 814.00/200.

The American Minister to the Secretary of State.

[Telegram—Extract—Paraphrase.]

AMERICAN LEGATION,
Guatemala, January 28, 1913.

The Guatemalan Government intends to return to the bankers an amended text of the loan agreement, probably this week. The Government claims that the amendments are not material to the bankers but the bankers' agent here states that they will be unacceptable.

HITT.

File No. 814.51/222.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 7, 1913.

The British Foreign Office declines to recommend the agreement to the bondholders basing its action upon the objection that the loan agreement is not a firm offer but depends upon the assent of the Guatemalan Government. The bankers are now endeavoring to have the President of Guatemala sign the agreement without modification. The Department has decided not to take any further action for the present.

KNOX.

File No. 814.51/237 A.

The Acting Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, April 28, 1913.

The Department has been informed by the Minister of Guatemala and Special Minister Batres that the British Minister has notified the Government of Guatemala that unless restitution of the coffee revenues is made on or before April 30 a warship will be immediately sent to Guatemala to compel the collection of the coffee tax for the bondholders. Instructs him to investigate and report without delay.

MOORE.

File No. 814.51/238.

The American Chargé d'Affaires to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN LEGATION,
Guatemala, April 29, 1913.

At an interview the Minister for Foreign Affairs informed him that the British Minister had stated to the President of Guatemala that his Government had instructed him to present a note to the Guatemalan Government in the sense that if the coffee revenues are not restored to the bondholders within two weeks he will telegraph to his Government for a warship, will then leave, breaking off diplomatic relations and his Government will adopt the necessary measures to collect the coffee revenues. April 30 has been named the date on which he will deliver the note if the matter is not arranged before that date. The British Minister and the President arranged for a meeting today between the representative of the bondholders and the Minister of Finance. On account of illness of the Minister of Finance the meeting did not take place. No promises were made by the British Minister to await the result of this interview. As soon as the formal demand is received from the British Minister the Minister for Foreign Affairs will advise me. Batres is commissioned to negotiate with the bankers. The Government insists upon amendment to the contract.

WILSON.

File No. 814.51/240.

AMERICAN LEGATION,
Guatemala, May 1, 1913.

The President says that the British Government flatly refused the request of the Guatemalan Chargé d'Affaires at London for time and stated that they would insist upon the restoration of the coffee tax regardless of any arrangement between the Guatemalan Government and the bankers.

WILSON.

File No. 814.51/243.

AMERICAN LEGATION,
Guatemala, May 6, 1913.

The British Legation has informed me that a British cruiser has arrived at Belize.

WILSON.

File No. 814.51/244.

AMERICAN LEGATION,
Guatemala, May 12, 1913.

The threatened note was presented to the Guatemalan Government by the British Minister on Saturday evening and the coming Thursday was named as the day on which relations will be broken unless demands are conceded. An agreement was signed the same night accepting the British terms. To be legal this agreement must be published today or tomorrow. Though the British Minister will not make the agreement public until it is published by the Guatemalan Government, it is stated that it provides for immediate restitution of enough of the coffee tax to pay current interest of the bonds and postpones for four years the liquidation of accumulated interest.

WILSON.

File No. 814.51/244 A.

The Secretary of State to the American Chargé d'Affaires at London.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, May 12, 1913.

The Guatemalan Government has sent a telegram to its Minister in this city directing him to request the friendly mediation of this Department for the extension of time on the payment of the debt, which the British Minister is pressing on that Government. The matter has been taken up with the British Ambassador here who will telegraph this request to his Government. He suggests that the matter be presented to the Foreign Office by our Embassy at London. The Guatemalan Government has been given until six o'clock this evening to meet his demand and it is necessary to act at once. Say to the Foreign Office that the Department feels sure that the Government of Guatemala is trying to make arrangements for the payment of this demand and it is hoped that a delay until June 1 will enable that Government to meet the demand of the British Minister.

BRYAN.

File No. 814.51/245.

The American Chargé d'Affaires at London to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
London, May 13, 1913.

Upon presenting the subject of Department's telegram of the 12th instant to the Foreign Office I was informed that the Guatemalan

Minister for Foreign Affairs yielded yesterday to the British demands and that the question is settled.

LAUGHLIN.

File No. 814.51/251.

The American Chargé d'Affaires to the Secretary of State.

No. 438.] AMERICAN LEGATION,
Guatemala, May 13, 1913.

SIR: With reference to the matter of the solution of the British debt which has been pressed upon the Government of Guatemala by the British Minister, Sir Lionel Carden, I have the honor to report that on the 7th I asked President Estrada Cabrera, during a conversation which I had with him, to inform me in what state the matter then was. He replied that it was quite unchanged since our previous conversation. He again spoke most bitterly of the manner in which the British Minister was pressing his demands, stating that Sir Lionel flatly refused to discuss the matter or to listen to any arguments from him, that he merely repeated that he was there not to argue the question but to demand the rights which the British Government would insist upon. The President informed me that the British Minister had stated that on Saturday, May the 10th, he would present his threatened note at six in the evening.

On Sunday the 11th I learned that the note had been presented and an agreement reached between the British Minister and the Government. I at once called at the British Legation where Sir Lionel informed me that in accordance with his promise he had presented a note at six o'clock on Saturday evening stating that relations would be broken on Thursday the 15th if the Government of Guatemala failed to accede to his demands before that time. It seems that the employé carrying the note in question met the Minister for Foreign Affairs coming out of his office at six o'clock. The Minister requested the employé not to deliver the note as he had just finished arranging a counter proposition with Mr. Bickford, local agent of the bondholders, which he was on the point of transmitting to Sir Lionel. The employé telephoned to the British Legation for further instructions and was told by Sir Lionel that the time for listening to a counter proposition had passed, and that he was to present the note as instructed. That same evening, Mr. Bickford was again summoned, and the agreement as outlined by Sir Lionel, was signed.

I had the honor to report in my telegram of May 12 such information as I had been able to obtain as to the nature of the agreement. Yesterday afternoon the Minister for Foreign Affairs requested me to call on him. He stated that in view of the moral assistance that the Government of the United States had furnished the Government of Guatemala many times during the financial negotiations, and in view of the friendly interest that I had shown in the matter, he wished to explain to me what had taken place.

He stated that every effort had been made to come to a satisfactory arrangement with the American bankers, but that there seemed to be one point on which agreement was impossible, which wrecked the entire negotiations, namely the refusal of the bankers

to admit the Government of Guatemala as a judge as well as the bankers, of when a sufficient number of foreign bonds had been bought in. This was the reason for the insistence on the part of Guatemala of the insertion of the words "and the Republic" in the contract which I had previously mentioned to the Department. Therefore there was no other recourse than to accept the demands of the British Minister.

According to the Minister for Foreign Affairs these demands consist merely in the restoration of the contract as it stood in 1895, providing for the payment of current interest and amortization. The matter of accrued interest will be taken up at the end of four years by the Government of Great Britain. The tone of the Minister was quite optimistic, a curious contrast to the attitude previously taken by both himself and the President in discussing the matter with me. He felt that the amount necessary to cover the current interest would not only not cripple the financial affairs of Guatemala, but would be so light a burden that it would be scarcely felt.

He stated that it was his belief that the resumption of interest payment would immediately cause a considerable increase in the value of the bonds, thus augmenting the foreign credit of Guatemala. The Government of Guatemala will therefore, at the end of some months, be in a much better situation to arrange a loan with American bankers on easy terms. The Minister assured me that the Government of Guatemala had still the fullest intentions of making such an arrangement.

I have [etc.] HUGH R. WILSON.

File No. 814.51/253.

The American Chargé d'Affaires to the Secretary of State.

No. 441.] AMERICAN LEGATION,
Guatemala, May 15, 1913.

SIR: I have the honor to transmit herewith a copy, together with a translation, of the agreement between the British bondholders and the Government of Guatemala, referred to in my despatch number 438 of May 13.

I have [etc.]

HUGH R. WILSON.

[Inclosure—Translation.]

AGREEMENT TO ARRANGE THE PAYMENT OF INTEREST ON THE FOREIGN DEBT, AND A DECREE APPROVING IT.

The Secretary of State for Foreign Affairs, in view of the sickness of the Minister for Finance, and with special instructions from the Constitutional President of the Republic for the purpose of resuming the payment of interest on the foreign 4% bonds, and Mr. Andrew Bickford, legal agent of the Council of Foreign Bondholders in London, who in turn represents the holders of the above-mentioned 4% bonds, have agreed on the following points:

1. The Minister for Finance will hand to the Agent of the bondholders, as soon as possible, the certificates for the payment of the coffee export duty referred to in article 9 of the contract of July 11, 1895, in sufficient quantity to cover the current interest of the debt for the year 1912-14, so that the resumption of this income can be made effective from the 1st of July of the present year.

Preference will be given these certificates and no other lien on the coffee exportation tax will be admitted until those which apply to the foreign 4% debt have been paid off.

2. To substitute for the certificates issued under the contract of November 18, 1898, the Government of the Republic will proceed without loss of time and in accord with the Council of Bondholders at London, to issue new bonds to the total value of £29,656 with the corresponding coupons, beginning with that which belongs to the half year ending December 31, 1901; and will give the necessary instructions to its London diplomatic representative for the exchange and other acts.

3. The Government will also issue deferred certificates distinct from those mentioned in the former articles, which will not earn interest, for an equal sum to that of the past and unpaid interest up to the 30th of June of the current year, and will give orders that these be handed over to the Council of Bondholders in London as soon as possible to take the place of the coupons.

4. The bondholders agree to suspend for four years, counting from July 1st of this year, the recovery of the £15,000 which by virtue of Article 6 of the contract of July 11, 1895, ought to be paid to the amortization account of the debt.

5. At the end of four years the Council will treat with the Government as to the manner of the amortization of the deferred certificates mentioned in article 3 of this agreement.

Done in duplicate in the city of Guatemala, May 10, 1913.

LUIS TOLEDO HERRARTE,
A. BICKFORD.

PALACE OF THE EXECUTIVE POWER,
Guatemala, May 12, 1913.

Having seen the agreement made on the 10th of this month between the Minister for Foreign Affairs, because of the sickness of the Minister for Finance, and Mr. Andrew Bickford, agent for the Council of Bondholders of the 4% foreign debt, to arrange the payment of interest, and finding it in accordance with the instructions communicated to that effect,

The Constitutional President of the Republic decrees:

That he approves the five articles of which the mentioned agreement is composed, and that the part referring to the payment of the above-mentioned interests shall be made a part of the General Budget.

Let it be published.

ESTRADA C.

Because of the sickness of the Minister for Finance, and the inability to be present of the Minister for Foreign Affairs, the Minister for Government and Justice:

J. M. REINA ANDRADE.

HAITI.

DEATH OF PRESIDENT TANCREDE AUGUSTE. ELECTION AND INAUGURATION OF PRESIDENT MICHEL ORESTE.

File No. 838.001 Au 4/5.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Port au Prince, May 3, 1913.

President Tancrède Auguste died on the 2d instant. Congress will convene today to elect his successor.

FURNISS.

File No. 838.001 Au 4/5.

The Acting Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, May 3, 1913.

The President has sent to the Secretaries of State in Council assembled the following telegram:

I deeply regret to learn of the death of President Tancrède Auguste. I extend to you, the Government and the people of Haiti the deep sympathy of the Government and people of the United States of America, and my own sincere condolence in the national loss sustained by your country. Pray extend to Mrs. Auguste the sincere personal condolence of Mrs. Wilson and myself.

WOODROW WILSON.

Instructs him to supplement the above by an appropriate communication to the Foreign Office expressing the sympathy of this Government and especially of the Secretary of State.

MOORE.

File No. 838.001 Au 4/7.

The President of Haiti to the President.

[Telegram.]

PORT AU PRINCE, *May 5, 1913.*

I thank you as well as the people of the United States and beg you to thank Mrs. Wilson in behalf of Mrs. Tancrède Auguste for your condolences. The country is very thankful for your high mark of sympathy.

MICHEL ORESTE.

File No. 838.00/710.

The American Minister to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN LEGATION,
Port au Prince, May 5, 1913.

Senator Michel Oreste was elected President by Congress by a majority of forty-eight votes. The President elect is a lawyer and is pro-American. Instruction requested regarding recognition of the new President.

FURNISS.

File No. 838.00/711.

AMERICAN LEGATION,
Port au Prince, May 5, 1913.

The President was legally elected, order prevails and the members of the Cabinet seem to be favorably disposed towards American influence. Instruction desired in regard to recognition.

FURNISS.

File No. 838.00/719.

AMERICAN LEGATION,
Port au Prince, May 12, 1913.

The American Minister will be invited to attend the Te Deum Mass on the 14th instant in honor of the election of President Oreste, and to attend a reception after the Mass. Being Dean of the Diplomatic Corps, which will attend these functions, his absence therefrom would be injurious to American influence. Attendance at these functions signifies recognition. Asks instructions.

FURNISS.

File No. 838.00/719.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, May 12, 1913.

The Haitian Legation in this city has not notified the Department of the death of President Auguste or of the election of his successor, President Oreste. But if the Government of Haiti has officially informed you that President Oreste has been elected in accordance with the Constitution of Haiti you may attend all functions connected with his inauguration.

BRYAN.

File No. 838.001 Or 3.

The Minister of Haiti to the Secretary of State.

[Translation.]

LEGATION OF HAITI,
Washington, June 3, 1913.

MR. SECRETARY OF STATE: I have the honor to transmit herewith, with office copy, an autographic letter[1] by which Mr. Michel Oreste

[1] Not printed.

informs the President of the United States of America of his election to the Presidency of the Republic of Haiti.

Requesting you to kindly forward this letter to its high destination I take [etc.]

SOLON MÉNOS.

File No. 838.001 Or 3.

The Secretary of State to the Minister of Haiti.

No. 18.] DEPARTMENT OF STATE,
Washington, June 6, 1913.

SIR: I have the honor to acknowledge the receipt of your note of the 3d instant in which you inclose, with office copy, a letter addressed to the President by His Excellency the President of Haiti announcing his election to the Presidency of that Republic.

The letter has been placed in the hands of the President and his reply will shortly be forwarded through the American Minister at Port au Prince.

Accept [etc.]

For the Secretary of State:
J. B. MOORE.

File No. 838.001 Or 3.

The Secretary of State to the American Minister.

No. 384.] DEPARTMENT OF STATE,
Washington, June 18, 1913.

SIR: I inclose, with office copy, a letter addressed by the President to His Excellency Michel Oreste,[1] acknowledging His Excellency's letter of May 6 last in which he announced his election, on the 4th of the same month, to the Presidency of the Republic of Haiti and his entrance upon the duties of that office.

You will forward the copy to the Foreign Office and deliver the original in the manner most agreeable to His Excellency.

I am [etc.]

For the Secretary of State:
J. B. MOORE.

ABROGATION OF THE RIGHT OF SYRIANS TO TRADE IN HAITI; RIGHTS OF AMERICAN CITIZENS OF SYRIAN BIRTH.[1]

File No. 838.00/703.

The American Minister to the Secretary of State.

[Extract.]

No. 1188.] AMERICAN LEGATION,
Port au Prince, February 25, 1913.

SIR: * * * President Auguste affirms that a number of Syrians who were expelled from Haiti have gone to Kingston, Ja-

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[1] Continued from For. Rel. 1912, p. 523 et seq.

maica, and have joined with the Haitian exiles there and [are] contributing money to start a revolution against the present administration, it being promised the Syrians that if the revolution is successful they will be allowed to return here. I do not think it probable that the Syrians would contribute money to such a cause as with the persecution which the Syrians recently suffered here I do not see why they should seek to return. However, I would thank the Department to make inquiry from our representative at Kingston, Jamaica, as to the Syrians being allied with the Haitian exiles. The Legation from time to time is still kept quite busy protecting the Americans of Syrian origin who, in accord with the agreement with the Haitian Government, were granted licenses to continue in business in Haiti. * * *

I have [etc.] H. W. FURNISS.

File No. 838.00/703.

The Secretary of State to the American Vice Consul at Kingston, Jamaica.

No. 25.] DEPARTMENT OF STATE,
Washington, March 8, 1913.

SIR: The Department incloses copy of a despatch from the Minister to Haiti in regard to political conditions in that country.

Reference is made to a statement of President Auguste that a number of Syrians who were expelled from Haiti, have gone to Kingston and have joined the Haitian exiles there and contributed money to start a revolution against the present administration.

You will make an investigation and report in the matter.

I am [etc.]

For Mr. Bryan:
WILBUR J. CARR.

File No. 838.111/117.

The Acting Secretary of State to the American Minister.

No. 373.] DEPARTMENT OF STATE,
Washington, March 17, 1913.

SIR: Referring to your No. 1188, of February 25 last, regarding the attitude of the Haitian Government towards persons of Syrian origin in Haiti, I inclose a copy of a letter[1] from Mr. McManus, general attorney for Swift and Company of Chicago, asking for information on the subject.

The Department has advised Mr. McManus that it has no precise information as to whether the Haitian Government is about to compel Syrians who are naturalized citizens of other countries to leave Haiti. It has informed him of some of the facts reported in your despatch above mentioned and that it has forwarded a copy of his letter to you with a request for a definite report on the matter.

The Department will be glad to receive your further report on the subject.

I am [etc.] HUNTINGTON WILSON.

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[1] Not printed.

File No. 838.111/119.

The American Minister to the Secretary of State.

No. 1199.] AMERICAN LEGATION,
Port au Prince, March 25, 1913.

SIR: I have the honor to inform the Department that the Legation continues to have much difficulty in protecting United States citizens of Syrian origin.

In 1912, during the Leconte administration when the persecution of those of Syrian origin commenced under the guise of enforcing the Syrian Exclusion Act of 1903, I finally made an arrangement with the President and the Secretary of Foreign Relations whereby such United States citizens of Syrian origin who were naturalized prior to the going into effect of the law of 1903, and who were in business in Haiti prior to the time, would be considered as having a right under the law to remain in Haiti and engage in commercial affairs.

The Haitian Government already having granted licenses to do business for the year 1911–1912 to some of those who are under the protection of this Legation, I occupied myself with procuring licenses for such others as, in accord with the agreement entered into, had a right to licenses permitting them to do business.

I accordingly furnished the Secretary of Foreign Relations with a list of those without licenses, for each of whom I requested one. On this list I set forth the date of naturalization of each. There being one or two to whom final naturalization papers were issued in 1904, it was agreed that these would be accepted [excepted], for the reason that such persons must have filed their first papers at least two years prior, thereby showing that there was no attempt to evade the Exclusion Act of 1903.

The list as furnished was sent by the Haitian Government to its Minister at Washington with instructions to have it verified. Upon the request of the Haitian Minister the Department supplied the date of naturalization of the parties named and sent me a copy of the list handed to the Haitian Minister. The data of the Department's list, with one exception, corresponded with that given on the list which I had furnished the Haitian Government. Upon information furnished by the Legation the one exception noted was corrected by the Department and the Haitian Government issued the desired licenses. So much for the history of the affair.

It was expected that the matter, once agreed upon with the Haitian Government, would be settled for all time; but, instead, the Haitian Government has continued to harass and embarrass those to whom licenses were issued. A friend of mine, who is an intimate friend of the President and Secretary Léger, has repeatedly told me that it is the intention of the Haitian Government to harass those of Syrian origin who are still in Haiti until they of their own free will leave. My friend says that Secretary Léger assured him there would not be even an American of Syrian origin in Haiti within a year or two. It appears to me that my friend has correctly informed me as to the attitude of the Haitian Government towards those of Syrian origin,

for in no other way can I account for the unnecessary harassment and embarrassment occasioned them.

In so far as the Syrians of American naturalization are concerned, the Haitian Government having once admitted their right to remain in Haiti and do business, it would appear to me that they should be protected against any overt act on the part of the Haitian Government, and the Haitian Government should be clearly informed that our Government intends to protect them: intends to see to it that they are no longer harassed and embarrassed. The Americans of Syrian origin in Haiti are respectable and law-abiding citizens. I know every one of them personally, and I wish all of our native-born citizens who come to Haiti would be as much a credit to our country as they are. These Americans of Syrian origin own stores and deal almost exclusively in American products. They are a benefit to our export trade, a greater benefit than any other class for the reason that they are content with a small profit and a large turn-over and are consequently large and frequent importers of our products, while the merchants of other nationalities, more particularly Haitian, prefer large profits and small sales and are consequently small importers.

I shall not attempt at this time to review the Syrian question in Haiti. I have already sent forward numerous despatches on that subject clearly proving that the campaign against them was ill advised. On this occasion I am calling attention to the treatment accorded Americans of Syrian origin and setting forth what I have recently done to protect them.

[Here follow circumstantial accounts of cases in each of which the Minister, in numerous interviews with the President, the Minister for Foreign Affairs and minor officials, vigorously insisted on fair treatment of American citizens of Syrian origin who were being deliberately persecuted by Haitian officials of various ranks; these persons were John Milhim, Elbert Dow, Daniel John and John Stambouly—all except Daniel John coming within the provisions of the Haitian agreement as to licenses for American citizens of Syrian origin. The Minister in each case obtained reluctant compliance with his demands, but was left with a sense of insecurity as to future treatment of such persons.]

I have gone into the details of the above cases that the Department might see the great amount of time consumed in protecting the Americans of Syrian origin. As has been stated in various prior despatches, our citizens of Syrian origin, if let alone, would give no trouble to anyone. They are peaceful and law-abiding. The Haitian Government having agreed to allow them to remain in Haiti, it would appear to me that they should be fully protected by this Legation, which should be empowered to tell the Haitian Government in plain terms that the frequent and unnecessary annoyances to which these citizens are put will not be countenanced by our Government. Perhaps it would be better to tell this to the Haitian Minister at Washington with the request that he communicate it to his Government.

The present Haitian administration has great respect for the opinion of our State Department and would not care to unnecessarily endanger its amical relations with it. While I am always treated with respect and usually succeed in accomplishing what I desire in specific cases, yet it keeps me always on the watch in order to be able to

resist the oft-repeated attacks on the United States citizens of Syrian origin in Haiti who, through these attacks, are caused not only unnecessary annoyances but loss of money, etc.

I have with firmness told the President, in informal conversation, that this Legation intended to protect them the same as native born citizens of the United States, and the promptness with which I have gone to him with each abuse and requested its correction has shown this. The Haitian Government, once having acknowledged that under the Syrian Exclusion Act such of our citizens of Syrian origin as are now in Haiti have the same right to be here and do business as those of other origin or nationality, it should be forced to cease annoying them.

I have [etc.]

H. W. Furniss.

File No. 838.111/121.

The American Minister to the Secretary of State.

No. 1208.] American Legation,
Port au Prince, April 10, 1913.

Sir: In reply to the Department's No. 373 of March 17, 1913, I have the honor to inform the Department that I have recently talked with President Tancrède Auguste as to his attitude towards such persons of Syrian origin as are still in Haiti and I tried to draw from him a statement as to his attitude but evade [he evaded] making a direct reply. He finally said, with a smile, that I should only be interested in those of American nationality and they would be allowed to remain. He requested me to take his word for it that "all Syrians are bad," to which I replied, "No more so than all Haitians."

It seems that the President is very much prejudiced against those of Syrian origin and would welcome any plan whereby he could get rid of them. In my opinion this prejudice has been created as a result of the information furnished to him by various persons who state that practically all of those of Syrian origin who are in Haiti have combined with those who were expelled from Haiti and aiding abetting [sic] those Haitians in exile who seek to overthrow the present administration.

As a result of the attitude of the Haitian Government towards those of Syrian origin, many who have become Haitian citizens and have even performed military service are leaving Haiti as soon as they can arrange their affairs, preferring to leave rather than to stay and be from time to time harassed and even thrown in prison on trumped-up charges of being implicated in revolutionary movements. Being of Haitian nationality they have no rights which the Government is bound to respect.

As to nationals of Syrian origin who through the intervention of their legations have licenses to do business in Haiti, it is my impression that if their governments take a strong stand and inform the Haitian Government they will be protected, they will not be molested. Otherwise, the tendency is to harass and annoy them so that they, too, will leave of their own will, or [for] the Government pretends to have evidence implicating them in revolutionary movements and expel them.

Mr. Theodore Baker, the resident agent of Swift & Company, keeps in touch with the Syrian question and frequently calls at this Legation for information and advice. As I have found him to be a careful and discreet man, I am sure that whatever information he gives his firm can be relied upon by it.

I have [etc.]

H. W. FURNISS.

File No. 838.111/119.

The Department of State to the Haitian Legation.

AIDE MÉMOIRE.

Referring to the matter of the right of persons of Syrian origin to do business in Haiti, which has hitherto been the subject of correspondence between the Governments of the United States and Haiti both through the Haitian Legation at this capital and the American Legation at Port-au-Prince, it will be remembered that during the course of the previous discussion it was agreed by the Government of Haiti that American citizens of Syrian origin who had been naturalized or had taken steps to become naturalized prior to the Haitian Law of 1903, should be exempted from the operation of the law and given licenses to trade.

It was hoped that this action by the Haitian Government would obviate to some degree the difficulties which had arisen by reason of Haiti's recent enforcement of the measures directed against persons of Syrian origin. It appears, however, that the condition of these persons since that action was taken has not been satisfactory and that the American Legation at Port-au-Prince has been forced on numerous occasions to appeal to the Government of Haiti to protect American citizens of Syrian origin from annoyances and embarrassments, which would appear to have been unnecessary and unwarranted, caused by aggressions on the part of the subordinate Haitian authorities.

It would seem that having permitted these American citizens to do business under sanction of Haitian law, the Government of Haiti may rightfully be expected to afford them all due protection and respect. The Department consequently trusts that when the purport of this communication, which has been induced by repetition of the aggressions mentioned above against American citizens, is brought to the attention of the Haitian Government it will take all necessary measures to insure to the American citizens in question the protection and freedom from molestation which their Government now requests for them.

DEPARTMENT OF STATE,
Washington, May 5, 1913.

File No. 838.111/119.

The Secretary of State to the American Minister.

No. 380.] DEPARTMENT OF STATE,
Washington, May 10, 1913.

SIR: The Department has received your No. 1199 of March 25 last, in which you state that you continue to have much difficulty in

protecting American citizens of Syrian origin, and report your action in a number of cases that have been brought to your attention.

The Department approves your efforts in this line and transmits for your information a copy of an aide mémoire relating to the subject which has been handed to the Haitian Minister at this capital.

I am [etc.]

For the Secretary of State:
ALVEY A. ADEE.

File No. 838.111/125.

The American Minister to the Secretary of State.

No. 1237.] AMERICAN LEGATION,
Port au Prince, May 29, 1913.

SIR: In further reference to my No. 1208 of April 10th last, wherein I spoke of the attitude of the Auguste administration towards those of Syrian origin, I have the honor to inform the Department that I recently had a talk with President Oreste on the same question.

[The] President said that as senator and private citizen he was opposed to the attitude of the Leconte and Auguste administrations relative to the Syrian question; that he believed that all those of Syrian origin, whatever their nationality or position in life, who were in Haiti prior to the promulgation of the Syrian Exclusion Law should have been allowed to remain unmolested in Haiti. He said that he realized then as now that from an economic standpoint it was a bad move to have expelled them, as the Syrian stores were beneficial to the masses in that their prices and terms were more reasonable than the Haitian stores. He reminded me that he had been attorney for some Haitians and others of Syrian origin and had gained licenses for them through the courts, though afterwards these persons were so persecuted that they had voluntarily left Haiti.

President Oreste assured me that under his administration such persons of Syrian origin as are in Haiti can count upon having full protection of their rights and that the Syrian campaign is at an end. He said, however, that he could not permit to return those who were expelled from Haiti by his predecessors as that might bring on disorders.

Yesterday when in conference with Secretary of Foreign Relations Mathon on another matter, he spoke of having received from Minister Ménos the Department's aide mémoire relative to the Syrian question. Mr. Mathon assured me that there would be no ground for complaint from the present administration. He stated that even the Haitian of Syrian origin would be unmolested; in other words, that the anti-Syrian campaign is at an end. I thanked him for the information and told him I would communicate it to my Government. I stated that my Government was determined to protect its citizens and would be pleased to know that its citizens could dwell in Haiti without being persecuted or subjected to annoyances by minor officials.

I have [etc.]

H. W. FURNISS.

File No. 838.111/125 A.

The Acting Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, July 23, 1913.

Inquiries have come to the Department from persons of Syrian origin who desire to go to Haiti, whether they will be permitted to enter that country. You will ascertain the present attitude of the Government of Haiti concerning the admission of persons of Syrian origin who have never been in Haiti or who have been there from time to time but who were not objects of the enforcement of the law of 1903, and report to the Department.

MOORE.

File No. 838.111/126.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Port au Prince, July 25, 1913.

The President of Haiti says that, in accord with the Act of 1903, no persons of Syrian origin can come to Haiti and remain permanently. The President has, however, agreed to permit naturalized American citizens of Syrian origin who represent American commercial interests to enter Haiti on the business of their firms if they remain only a few months and if their citizenship and their connection with American commercial concerns are certified by the Department of State or the American Legation.

FURNISS.

File No. 838.111/127.

The American Minister to the Secretary of State.

No. 1263.] AMERICAN LEGATION,
Port au Prince, July 25, 1913.

SIR: I have the honor to report that agreeable to the Department's cablegram of July 23, I called upon the President of Haiti to ascertain the attitude of his administration relative to the entry into Haiti of persons of Syrian origin. I reported a summary of the interview in my [telegram of] July 25.

The President stated that it would be impossible, at least for the present, to permit persons of Syrian origin, whatever their nationality, to come to Haiti, in that the Exclusion Act of 1903 especially prohibited it. At first he had been inclined to have the law modified, but he now finds that quite a campaign against the present administration is being waged by the Syrians in Kingston, Jamaica, and they are contributing funds for the Haitians who are there and who seek to overthrow his administration.

According to a report of the Haitian Consul at Kingston, two prominent citizens of the United States of Syrian origin went to Kingston

and had long conferences with the Haitians; in fact it is reported that the carriage of ex-President Simon was in waiting for them at the steamship wharf upon their arrival and they spent a day with Mr. Simon, at whose house congregate many of the exiles. I tried to ascertain the names of these Americans and the President has promised to give me the information. I called the President's attention to the fact that the Haitian Consul at Kingston is rather erratic and should not be depended upon; that when Haitian Consul at Monte Cristi he was the chief adviser of the Dominican revolutionist Desiderio Arias and was more a revolutionist than he.

I do not believe that persons of Syrian origin are aiding and abetting the exiles against the present administration and I await with interest the report of our consul there, which the Department in its No. 372 of March 11, 1913, stated it had instructed him to make.[1]

I told the President that in carrying out the Exclusion Act of 1903 it should not be made to operate against persons of Syrian origin who may desire to come to Haiti, temporarily, in connection with commercial affairs; that I know several Americans of Syrian origin who are commercial travelers and he should construe the law liberally enough to allow such to come to Haiti. I told him that we allowed merchants of Chinese origin to enter the United States on business. He then said that, to be agreeable to this Legation, he would allow American citizens of Syrian origin who represent American commercial houses to come to Haiti provided they remained at most a few months, and further provided that the Department of State or this Legation would vouch for their citizenship and their connection with American commercial houses doing business in Haiti.

I have [etc.]

H. W. Furniss.

File No. 838.111/126.

The Secretary of State to the American Minister.

No. 387.] Department of State,
Washington, July 31, 1913.

Sir: The Department has received your telegram of the 25th ultimo in which you state that you have been advised by the President of Haiti that in view of the exclusion act of 1903 it will not be possible to permit persons of Syrian origin to come to Haiti and remain permanently, but that Americans of Syrian origin representing American commercial interests may enter Haiti on the business of their firms for a few months on the condition that the Department of State of [or] your Legation should certify as to their citizenship and as to their connection with American commercial houses.

The Department is gratified at the position taken by the President of Haiti in this matter and believes that an arrangement might well be made in accordance with his suggestions. Regarding the certification of citizenship by the Department or the Legation, it would seem, however, that it would be possible and proper to do this only in the usual way, that is, in the case of an American coming from this country to Haiti, by the exhibit of a passport, or, in the case of

[1] Not printed; see the Department's No. 25 of March 8, ante, to the Vice Consul at Kingston.

Americans who have been in Haiti, by reference to the records of registration in the consulates. Outside of these two means, any certification would seem impracticable.

Respecting the certification as to the connection of American citizens of Syrian origin with American commercial houses, it would seem possible, of course, for the Department or the Legation to communicate to the Haitian Government such information as might be furnished in this regard. Under the circumstances, however, neither the Legation nor the Department could undertake to give any certain guaranty as to such connection.

You will appropriately communicate the foregoing to the Haitian Government and report to the Department the result of your representations.

I am [etc.] For the Secretary of State:
J. B. MOORE.

File No. 838.111/129.

The American Minister to the Secretary of State.

No. 1266.] AMERICAN LEGATION,
Port au Prince, August 12, 1913.

SIR: Referring to the Department's No. 387 of July 31, 1913, regarding the entrance into Haiti of persons of Syrian origin, I have the honor to advise the Department that I took up the matter with the President of Haiti and permitted him to read the instructions of the Department on the subject.

The President, after reading the Department's instructions, stated that he was in full accord therewith. I have deemed it advisable, however, to have the President confirm our conversation in writing and I shall endeavor to secure this confirmation within the next few days.

I have [etc.] H. W. FURNISS.

File No. 838.111/132.

The American Consul at Kingston, Jamaica, to the Secretary of State.

No. 156.] AMERICAN CONSULATE,
Kingston, September 12, 1913.

SIR: I have the honor to acknowledge the receipt of the Department's instruction No. 159 of August 27, 1913,[1] enclosing, for my information, a copy of dispatch No. 1263 of July 25, 1913, from the American Minister at Port au Prince relative to the belief of the Government of Haiti that Syrians in Jamaica are seeking to overthrow the Government and directing me to forward a report regarding the attitude of Syrians in Jamaica towards the Haitian Government.

From what I have been able to learn I am convinced that the Syrians in Jamaica are in no way endeavoring to overthrow the present Government in Haiti or furnishing funds for the purpose. I have called upon the managers of the three banks in Kingston and

[1] Not printed.

am told, confidentially, that but very few of the Syrians here have bank accounts at all and those are very small. The great majority of the Syrians in Jamaica have been here for a number of years and are well known to the banking houses, which have expressed their belief that they are in no way actively inimical to the Haitian Government, being but small traders carrying their stock of goods on their backs. The manager of the Colonial Bank, the oldest bank in Kingston, ridicules the idea that the Syrians of Jamaica are in any way connected with a movement to support a revolution in Haiti as he was convinced that if they transmitted funds to Haiti it would be through his bank and that no drafts of any considerable amount had been sent through his house to Haiti by Syrians.

I am endeavoring to ascertain the number of persons of Syrian origin in Jamaica and the occupations they pursue but it is extremely difficult to secure reliable information either from Government or private sources. As soon as I can collect the data I shall at once transmit it to the Department.

I believe the hostility of the Haitian and the Dominican Governments, which exclude persons of Syrian origin from entering their respective countries, is due to their activity in trading and driving the duller native from business. Even in such an enlightened country as Jamaica the retail merchants have complained to the Government of the ceaseless activity of Syrians and Chinese in supplanting the natives in certain lines of business and the question will undoubtedly be brought before the Legislative Council of the Island when it again meets.

I have [etc.]

LEO BERGHOLZ.

File No. 838.111/138.

The American Minister to the Secretary of State.

No. 1280.] AMERICAN LEGATION,
Port au Prince, September 16, 1913.

SIR: I have the honor to enclose herewith copies of the correspondence[1] exchanged between this Legation and the Haitian Government relative to granting a license to Daniel John, an American of Syrian origin in business at St. Marc.

Mr. John does not come within my agreement with the Haitian Government as to the issuance of licenses to American citizens, in that he was naturalized and came to Haiti subsequent to the exclusion act of 1903.

In April last I arranged for a reasonable delay for Daniel John to liquidate his business but it appears to me he thought that upon Mr. Michel Oreste becoming president he would not be forced to liquidate, and when informed that he would be expected to do so he appealed to me for further delay. I have arranged with the Haitian Government for an additional month, which was the best that could be done under the circumstance.

I have [etc.] H. W. FURNISS.

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[1] Not printed.

File No. 838.111/132.

The Secretary of State to the American Minister.

DEPARTMENT OF STATE,
Washington, September 25, 1913.

SIR: Referring to previous correspondence on the subject of the alleged activity of Syrians in opposition to the Government of Haiti, and more particularly to Mr. Furniss's No. 1263, of July 25, 1913, the Department encloses herewith, for your information, a copy of a despatch of September 12, 1913, from the American Consul at Kingston, Jamaica, in this connection.

I am [etc.]

For the Secretary of State:
JOHN E. OSBORNE.

File No. 838.111/136.

The Secretary of State to the American Minister.

No. 2.] DEPARTMENT OF STATE.
Washington, September 29, 1913.

SIR: I enclose a letter[1] from Mr. Samuel J. Siegel, dated September 19th, 1913, regarding the orders issued to Daniel John, said to be a naturalized citizen of the United States, instructing him to wind up his affairs and leave Haiti.

If, upon investigation of Mr. John's case, you are convinced that the enforcement of the order directing him to leave Haiti would entail unnecessary hardship you will request the Haitian Foreign Office on Mr. John's behalf for such additional reasonable time to wind up his affairs as the circumstances may seem to warrant.

I am [etc.]

For the Secretary of State:
JOHN E. OSBORNE.

File No. 838.111/144.

The Acting Secretary of State to the American Minister.

No. 5.] DEPARTMENT OF STATE.
Washington, October 25, 1913.

SIR: Referring to the Department's instruction of the 29th ultimo regarding the case of Daniel John, I enclose a copy of a letter[1] from Mr. Samuel J. Siegel, of New York City, who is of the opinion that the Haitian Government should be urged to extend the time allowed Mr. John to wind up his business affairs, for a period of at least one year.

You are referred, for your guidance, to the Department's general instruction of January 20, 1912,[2] to your predecessor, regarding the enforcement of the Haitian anti-Syrian law of 1903, and you will, besides reporting fully on the John case, further report on the enforcement of the law of 1903 with respect to Syrians of other nationalities who, like Mr. John, went to Haiti and established themselves in business there subsequently to the passage of that law.

I am [etc.]

J. B. MOORE.

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[1] Not printed.

[2] For. Rel. 1912, p. 529.

File No. 838.111/149.

The American Minister to the Secretary of State.

[Extract.]

No. 13.] AMERICAN LEGATION,
Port au Prince, November 10, 1913.

SIR: Referring to the Department's despatch No. 5 of October 25, 1913, regarding the case of Daniel John I have the honor to report as follows:

Daniel John was naturalized an American citizen July 17, 1906. He arrived in Haiti July 24, 1906, and commenced business during the same year.

Upon reading over the correspondence of this Legation, I find that an agreement was entered into between this Legation and the Haitian Government whereby all American citizens of Syrian origin who were naturalized and in business in Haiti before the promulgation, in 1904, of the Syrian Exclusion Act of 1903, would be exempt from the provisions of the Act.

Subsequently the Haitian Government discovered that Mr. John did not come within the provisions of the agreement and so informed this Legation, which in turn advised Mr. John.

Mr. John then requested the Legation to procure for him a reasonable delay within which he could liquidate his business, and he finally said that he would be willing to retire from Haiti by October 31st if he were granted a license to that time. At the request of this Legation the Haitian Government agreed to this, provided Mr. John would put in writing that he would retire within the time stated. Mr. John furnished the necessary agreement copy of which is herewith enclosed.[1] The Legation forwarded this agreement to the Haitian Government and the license was issued for the fiscal year ending October 31, 1913. Further reference to this will be found in my predecessor's despatch[2] to the Department No. 1280 of September 16, 1913. It will be noted also in this despatch that, on account of certain difficulties experienced by Mr. John since receiving his license, and his agreeing to liquidate by October 31, 1913, at the request of this Legation a further delay was granted for the liquidation, said delay to expire November 30, 1913.

Subsequently it appeared that the authorities at St. Marc had not been advised as to this last delay and Mr. John's attention was called to the fact, by the Communal Commission at St. Marc, that it was expected that he would close his establishment and leave the country by September 30, 1913. Mr. John made representation as to the matter to this Legation, and the attention of the Haitian Government was called to it under date of October 6, 1913. The Haitian Government replied under date of October 8, 1913, that the necessary instructions would be forwarded to the Communal Commission at St. Marc which would enable Mr. John to take advantage of the new delay which had been granted him. Mr. John was advised of this under date of October 9, 1913. Copies of this correspondence are herewith enclosed.[1]

Referring to the latter part of the Department's instructions No. 5, regarding the enforcement of the law of 1903 with respect to Syrians

[1] Not printed. [2] Ante.

of other nationalities, I have the honor to state that the law in question has been enforced without respect to person. As far as I can find out, at present there are no Syrians of any nationality in business in Haiti, with the exception of Mr. John, who arrived in Haiti subsequent to the promulgation of this law. The agreement with this Legation as to Americans of Syrian origin has been more respected than has been the case with the other nationalities. Dominicans of Syrian origin have been forced to leave Haiti notwithstanding their rights under the agreement. * * *

I have [etc.]

MADISON R. SMITH.

File No. 838.111/148.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, November 19, 1913.

Representations have been made to the Department that it is impossible for Daniel John to close up his affairs and leave Haiti before November 30 without being ruined. Use your personal good offices to secure an extension of time for John. If circumstances justify formal representations, either because John has not been granted sufficient time to wind up his affairs or that this is a case of discrimination, impress upon the Foreign Office that expulsion might lead to international claim.

BRYAN.

File No. 838.111/150.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Port au Prince, November 24, 1913.

The claim argument was used by Mr. Furniss to secure a delay for John of more than seven months and an additional month to November 30. Further instructions desired.

SMITH.

File No. 838.111/150.

The Acting Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, November 26, 1913.

Use your best efforts to secure another extension for Daniel John.

MOORE.

File No. 838.111/154.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Port au Prince, December 5, 1913.

The Minister for Foreign Affairs says that no further extension can be granted to Daniel John, as he has had two extensions of delay, and he will have to act in accordance with his agreement to liquidate his business in the time allowed.

SMITH.

HONDURAS.

MESSAGE OF THE PRESIDENT, MANUEL BONILLA, TO THE CONGRESS.

File No. 815.032/7.

[The message of the President, Don Manuel Bonilla, was read to the Congress of Honduras January 1, 1913, and transmitted to the Secretary of State January 8, 1913, by the American Minister, Mr. White. The following is the only passage referring to the United States:]

[Translation—Extract.]

I must mention the very cordial relations which my Government cultivates with the American, European, and some Asiatic nations, among which are prominent those that exist with the United States of America, due in large measure to the fact that the main import and export trade of Honduras is with that nation, and that the chief foreign enterprises established in this country are also American, immigrants and contractors of that nationality arriving here constantly on all kinds of business and being always heard and often heeded, and if not heeded oftener than they are the fault lies not with the Government but with the contractors themselves.

During the past year the cooperation of Honduras was asked for six international congresses, all held in the United States. I should have liked to see the country represented in all of them, but owing to the importance of the matters to be treated and in order to comply with the kind invitations extended, but we were able to send representatives to only two of them.

We were also asked to participate with our products in the International Rubber Exposition opened last September in New York, and we have been officially invited to the International Panama-American Exposition to be opened in San Francisco in 1915, in order to take part in which you will be asked to appropriate the necessary funds.

The Minister for Foreign Affairs of my Government will give you a detailed account of the matters just referred to and of all those connected with our relations with the United States; but I can not pass over in silence the visit made to Honduras by Mr. Philander C. Knox, Secretary of State of that great nation, in March of last year [1912], for which visit I was so grateful, which I so highly appreciated, and in response to which and in order to express at the same time thanks for so signal a demonstration of cordiality and deference, I accredited to Washington an extraordinary mission charged with conveying the gratitude of my Government for the visit.

I must likewise not refrain from mentioning a fact which, while it caused alarm at first, subsequently afforded a patent demonstration

not only of the cordiality of the relations existing between this Government and that of Washington, but also of the spirit of rectitude and justice which actuates the decisions of the latter. I refer to the case of the National Railroad, which you at your last session ordered restored to the nation because it was being illegally and unduly administered by a person who was its lessee but who had no right to keep it in his possession for his own exclusive benefit.

The details of what occurred will be communicated to you by the Secretaries for Foreign Affairs and of Fomento and Public Works, so that it will suffice for me to recall the fact that when the Political Governor of Cortés, in pursuance of orders from the Executive, proceeded to take possession of the railroad by virtue of an inventory and previous notice to the agent of the ex-lessee to participate in the delivery, the Commander of the American war ship *Petrel*, anchored in the waters of Puerto Cortés, landed sailors of the crew of his ship to take possession of the railroad pending receipt of instructions from Washington and Tegucigalpa. This gave rise to a protest on the part of my Government, made to the American Legation established in this capital, on account of the violation of the national territory and owing to the acts committed by the Commander of the *Petrel*, who, in compliance with immediate orders from the Washington Government, reembarked his forces, declaring that the act was performed under his exclusive responsibility and without the authorization of his Government, as was confirmed by the Minister of the United States in this capital, who, on this occasion as on all others, has taken special pains to maintain and even strengthen the bonds of sympathy and cordiality which happily unite us with the Republic of the North.

The Government has likewise claimed for the Public Treasury the revenues from the wharf and lighthouse of Puerto Cortés, illegally held to the detriment of the revenues of the Republic and which are at present administered by the proper revenue office.

DEATH OF PRESIDENT MANUEL BONILLA AND ASSUMPTION OF THE PRESIDENCY BY VICE PRESIDENT FRANCISCO BERTRAND.

File No. 815.001 B 64/9.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Tegucigalpa, March 21, 1913.

The American Minister announces the death of President Bonilla and states that Vice President Francisco Bertrand has assumed the Presidency and informs the Minister that the Cabinet Ministers will support him and no complications are anticipated. The Minister has advised the American consulates and the Commander of the American warships in Honduras.

WHITE.

File No. 815.001 B 64/10.

The Minister of Honduras to the Secretary of State.

[Translation.]

LEGATION OF HONDURAS,
Washington, March 22, 1913.

MR. SECRETARY: With profound sorrow I discharge the duty of informing your excellency that, on the 21st instant, General Don Manuel Bonilla, President of the Republic of Honduras, died at Tegucigalpa.

I renew [etc.]

ALBERTO MEMBREÑO.

File No. 815.001 B 64/9.

The President to the President of Honduras.

[Telegram.]

THE WHITE HOUSE,
Washington, March 22, 1913.

The Government and people of the United States of America join me in offering heartfelt condolences in the great loss which has been sustained by the Republic of Honduras in the lamented death of His Excellency, President Bonilla.

WOODROW WILSON.

File No. 815.001 B 64/10.

The Acting Secretary of State to the Minister of Honduras.

No. 6.] DEPARTMENT OF STATE,
Washington, March 24, 1913.

SIR: I have the honor to acknowledge the receipt of your note of the 22d instant by which you officially convey the sad intelligence of the death at Tegucigalpa of President Bonilla.

The President, to whom the information has been conveyed, has, in a telegram to President Bertrand, expressed the sincere condolences of the people and Government of the United States in this sad bereavement which has befallen the Government and people of your country, as well as his personal sympathy.

Accept [etc.]

ALVEY A. ADEE.

File No. 815.001 B 64/16.

The President of Honduras to the President.

[Telegram—Translation.]

TEGUCIGALPA, *March 24, 1913.*

The Government and people of Honduras join me in thanking Your Excellency and the Government and people of the United States for their very sincere expressions of sorrow for the death of President General Bonilla. Will Your Excellency accept our gratitude.

FRANCISCO BERTRAND.

File No. 815.001 B 64/17.

The Minister of Honduras to the Secretary of State.

[Translation.]

LEGATION OF HONDURAS,
Washington, April 19, 1913.

MR. SECRETARY: I have the honor to transmit to your excellency the following cable message which I received last evening from the President of Honduras:

TEGUCIGALPA, *April 18, 1913,*

Sumptuousness of the obsequies of the never-to-be-forgotten President, General Bonilla, gratifying. Please express gratitude of Honduran people and Government and my own to His Excellency the President of the United States, Vice-President, Secretary of State and Diplomatic Corps. Most cordially,

BERTRAND.

It affords me pleasure to carry out the foregoing instructions of my Government, and in so doing I renew [etc.]

ALBERTO MEMBREÑO.

File No. 815.001 B 64/17.

The Acting Secretary of State to the Minister of Honduras.

DEPARTMENT OF STATE,
Washington, April 30, 1913.

SIR: I have the honor to acknowledge the receipt of your esteemed note of the 19th instant giving the text of a telegram which you have received from the President of Honduras expressing appreciation of the attendance of the President, the Vice President, the Diplomatic Corps and the Secretary of State at the religious services held in this city on April 18th in memory of his late Excellency the President of Honduras.

The President and Vice President desire me to say that they were glad to show their respect for the late President Bonilla by being present at the Requiem Mass said in his memory and to convey to President Bertrand their appreciation of the friendly feeling expressed by the President, Government and people of Honduras.

I also beg to assure you that the expressions of the President and Vice President voice the Secretary's feelings toward the late President Bonilla and the country over which he so worthily presided.

Accept [etc.]

J. B. MOORE.

File No. 815.001 B 46/2.

The Minister of Honduras to the Secretary of State.

[Translation.]

LEGATION OF HONDURAS,
Washington, May 6, 1913.

MR. SECRETARY: I have the honor to transmit to your excellency a copy of the autograph letter by which His Excellency Señor Doctor

Francisco Bertrand announces his elevation to the Presidency of the Republic of Honduras to His Excellency the President of the United States.[1]

I beg your excellency to be pleased, if you deem it expedient, to arrange the manner in which I may have the said letter reach its high destination.

I renew [etc.]

ALBERTO MEMBREÑO.

File No. 815.001 B 46/2.

The Secretary of State to the American Minister.

No. 141.] DEPARTMENT OF STATE,
Washington, June 16, 1913.

SIR: I inclose, with office copy, a letter addressed by the President to His Excellency Francisco Bertrand,[1] acknowledging His Excellency's letter of April 1 last in which he announced his assumption on March 21 last of the Presidency of the Republic of Honduras and his entrance upon the duties of that office.

You will forward the copy to the Foreign Office and deliver the original in the manner most agreeable to His Excellency.

I am [etc.]

For the Secretary of State:
J. B. MOORE.

RECOVERY BY HONDURAS OF THE NATIONAL RAILROAD OF HONDURAS AND THE WHARVES AT PUERTO CORTÉS FROM THE LESSEE, AN AMERICAN CITIZEN. ATTITUDE OF THE UNITED STATES.

File No. 815.77/76.

The Secretary of the Navy to the Secretary of State.

DEPARTMENT OF THE NAVY,
Washington, January 29, 1912.

SIR: I have the honor to transmit herewith, for the information of the Department of State, a copy of a cablegram, dated January 27, 1912, from the Commanding Officer, U. S. S. *Petrel*,[1] in which it is stated that there are well founded rumors that the Honduran Government, upon assuming control February 1st, intends to take charge of railroad now leased to American Company, and that it is deemed advisable for the *Petrel* to remain at Puerto Cortés, Honduras.

I have the honor, further, to state that instructions, by cable, were issued on January 28th to the Commanding Officer, U. S. S. *Petrel*, to remain at Puerto Cortés at his discretion.

GEORGE VON L. MEYER.

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[1] Not printed.

File No. 815.77/78.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 5, 1912.

It is represented to the Department that W. S. Valentine, an American citizen, fears that the Government of Honduras will dispossess him of railway and wharf properties at Puerto Cortés without his claim connected therewith having been adjusted. He is willing to relinquish control and management of the properties as soon as his interests are properly protected and protests against any action by the Government of Honduras which would take from him his properties without full compensation. You will make representations to the Foreign Office in the sense that this Government, without going into the legal merits of the claim at this time, is convinced that the claim possesses equities which should be met and that any action taken in violation of such equities could not be regarded by this Government as an indication of that friendly attitude toward American enterprise which the Government of the United States would like to see animate the actions of the Government of Honduras.

KNOX.

File No. 815.77/85.

The Commander of the U. S. S. "Petrel" to the Secretary of the Navy.

[Telegrams.]

U. S. S. *Petrel*,
PUERTO CORTÉS, *February 6, 1912.*

I am informed by the American Consul that the authorities will seize the railroad today. The superintendent of road refuses to give up unless he receives orders from New York. Consul requested me to protect the lives and property of American citizens. If necessary I will by force prevent seizure until I hear from the Department. Instructions from the Department are requested.

DISMUKES.

File No. 815.77/87.

U. S. S. Petrel,
PUERTO CORTÉS, *February 7, 1912.*

Government officer arrived February 6th to seize railroad. I have informed the appointed Government superintendent that I should not permit seizure. Without instructions from Department or Minister, I will enforce this decision. I believe it will not be necessary to use force.

DISMUKES.

File No. 815.77/84.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Tegucigalpa, February 7, 1912.

The Minister for Foreign Affairs says that American forces were landed at Puerto Cortés this morning; all were reembarked but one, who is stationed in the office of the superintendent of the railroad. A communication was quoted from the American Vice Consul at that port advising the Minister for Foreign Affairs that the commander of the American war vessel had taken possession of the railroad pending instructions. Firm but courteous protest was made by the Minister.

WHITE.

File No. 815.77/101.

The American Minister to the Secretary of State.

No. 94.] AMERICAN LEGATION,
Tegucigalpa, February 8, 1912.

SIR: Referring to your cablegram of the 5th instant, in regard to the fears expressed for Mr. Washington S. Valentine that he may be dispossessed of the wharf and railroad at Puerto Cortés without adjustment of his claims in connection with them, I have the honor herewith to enclose a copy and a translation of a note of yesterday's date, received last evening from the Minister for Foreign Affairs in reply to a note[1] which I addressed to him on the 6th instant and in which I paraphrased your above-mentioned telegram. The Minister's note is accompanied by certified copies of Decree No. 28[1] of the National Congress, dated the 5th instant, whereby the Executive was called upon immediately to proceed to recover the National Railroad, and the Executive Order, also dated the 5th instant, whereby the President directed the Governor of the Department of Cortés to take possession of the said railway with its appurtenances and accessories.

I have [etc.]

CHARLES D. WHITE.

[Inclosure—Translation.]

The Minister for Foreign Affairs to the American Minister.

FOREIGN OFFICE,
Tegucigalpa, February 7, 1912.

MR. MINISTER: I have the honor to acknowledge receipt of your excellency's courteous note addressed to me under yesterday's date in which you advise me that according to representations made by the attorneys of Mr. Washington S. Valentine it appears that he fears that he may be dispossessed of the railroad and wharf of Puerto Cortés without the adjustment of his claims connected with both properties having been made; that said attorneys of Mr. Valentine

[1] Not printed.

affirm that he is willing to relinquish control and management of said railroad and wharf provided his interests be duly protected; but that he protests against any act by the Government of Honduras by which he might be deprived in any measure of his properties without adequate compensation.

Your excellency adds that your Government, without discussing at present the legal merits of the claim of Mr. Valentine, is convinced that his claim possesses certain equities that should be satisfactorily met; and that any act violative of such equities could not be considered by your Government as an indication of the friendship with which it would like to see the acts of my Government toward American enterprise animated.

In reply, and under instructions of the President, to whom I have given account of your excellency's important note, I have the honor to inform you that there is no reason whatever for complaint on the part of the representative of Mr. Valentine because of the action of the Government in respect to the railroad of Puerto Cortés, to which the decree issued yesterday and sent to the Gobernador Político of Cortés for execution was confined.

As your excellency must know, the railroad of Puerto Cortés, exclusive property of the Government, was turned over on August 1, 1908, to Mr. Valentine, with whom a contract of lease was made which was never perfected in the form prescribed by the Constitution of the country, which requires for the validity of these contracts the approval of Congress. Nevertheless Mr. Valentine has in fact been administering and managing the railroad and enjoying the proceeds from it without having any right thereto.

The Congress now in session—in view of the contracts entered into with Mr. Valentine and the fact that, in spite of the invalidity of the same, Mr. Valentine continued in possession and control of the railroad—declared by Decree No. 28 of the 5th instant "that the Executive proceeded hastily and unconstitutionally in delivering the railroad to Mr. Valentine by virtue of a contract which, to be perfected, needed the approval of the Legislative Assembly; and directed the said Executive Power, availing itself of the most proper and efficacious means, to proceed immediately to recover that property and to determine the consequent obligations toward (deducir las responsabilidades consiguientes al) Mr. Valentine.

By virtue whereof and in compliance with the said decree the Government, through the Ministry of Fomento and Public Works, issued a decree, which your excellency will find enclosed[1] as an annex to this note, in which it is ordered: (1) that "the Gobernador Político of the Department of Cortés, with previous injunction (requerimiento) and notification of the Decree of Congress of which mention has been made and of the present order to the administrator or agent of Mr. Washington S. Valentine, take possession of the railroad with the appurtenances and accessories, with formal judicial inventory, advising the said administrator or agent in order that he may attend the transfer and inventory if he wishes to do so; (2) that Mr. Valentine be required to give account of the returns from the railroad during the time he has exploited it, and that liquidation be made in order that there may be adjudicated to each of the parties the portion that belongs to it."

As your excellency will see, the Government in taking possession of the railroad has taken possession of an enterprise entirely the property of the nation and not of Mr. Valentine, a property that figures in the inventories of transfer subscribed by the representative of the said Mr. Valentine on August 1, 1908, with a value of $1,140,976.35, plus the warehouses, etc., at $33,428.94, values which illegally and without the approval of Congress as the Constitution provides had been turned over to Mr. Valentine.

But the Government in issuing the order cited, in compliance with the legislative decree to which I have made reference, has desired to clothe the act with every kind of guaranty for Mr. Valentine; wherefore it ordered that a formal judicial inventory be made, being disposed, upon liquidation of accounts, to recognize and pay the sum or sums, if there should be any, due to Mr. Valentine by reason of the transaction.

My Government has no knowledge of any claim on the part of Mr. Valentine connected with the railroad. It has confined itself to the exercise of a right conferred by the Constitution, and your excellency may be sure that it is and always will be the most faithful guardian of the rights and privileges of foreigners that reside in Honduras, and very especially of Americans.

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[1] Not printed.

Your excellency is well aware that in Honduras the interests of American citizens enjoy every kind of security, it being the aspiration of my Government to demonstrate to your excellency its most sincere and cordial friendship by the protection that it affords to American undertakings established in Honduras, of which an example is the New York, Rosario & Honduras Mining Co., of which the same Mr. Valentine is a director, including important negotiations which it has pending with American enterprises, which are the most cordial examples of its friendship for America and the Americans.

My Government, Mr. Minister, cherishes the hope that your excellency, in view of these documents, will recognize the right that warrants the act of recovery of the railroad and will also see that no prejudice be done to the rights which Mr. Valentine may claim—not over the railroad, for this is the property of the Government, but—with reference to the participation which he may have in the proceeds of the railroad.

I pray your excellency kindly to take note of these explanations and of the sentiments expressed by my Government, and I avail [etc.]

MARIANO VÁSQUEZ.

File No. 815.77/89.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Tegucigalpa, February 9, 1912.

The Minister for Foreign Affairs has handed me a copy of the communication of Commander Dismukes to the authorities of Puerto Cortés replying to their letter demanding the withdrawal of the armed forces he had landed. The Commander stated in his letter that the forces were landed on his own responsibility and gave his reasons for his actions. The Minister for Foreign Affairs asked the American Minister to intervene, and the American Consul at Puerto Cortés has been advised that the Commander's action seems to be unwarranted. I recommend that the Commander be directed to withdraw his forces at once.

WHITE.

File No. 815.77/89.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 10, 1912.

The following telegram was sent to the Commander of the *Petrel* by the Navy Department:

You may land force in your discretion to prevent violence but you will not forcibly resist seizure by the Government of Honduras, giving notice in that case that this Government reserves all rights to exact full and prompt settlement of resultant claims.

The above telegram did not reach the Commander until after the force had been landed and the [Navy] Department is now in receipt of the following telegram from him:

Replying to your telegram of February 7th, I have withdrawn force and served notice of your instructions on authorities.

You will express regrets of the Department that the Honduran officer acted with such haste as to compel the Commander of the

Petrel to act before he had received instructions, and to state that the attitude of the Department remains as expressed in its telegram of the 5th instant.

KNOX.

File No. 815.77/105.

The American Minister to the Secretary of State.

No. 95.] AMERICAN LEGATION,
Tegucigalpa, February 15, 1912.

SIR: Referring to my cablegrams of the 7th instant and the 9th instant, and to your telegraphic reply of the 10th instant, I have the honor herewith to enclose copies of the three notes addressed to me by the Minister for Foreign Affairs on the 7th and 8th instant in regard to the action of Commander Dismukes of the *Petrel* in landing forces at Puerto Cortés in connection with this Government's resumption of possession of the National Railroad. Translations accompany the notes.

Your instructions contained in your telegram of the 10th instant were at once formally complied with. Yesterday in conversation the Minister for Foreign Affairs showed some disappointment because greater satisfaction was not offered to this Government and expressed the hope that written instructions in that sense might be on the way.

I have [etc.]

CHARLES D. WHITE.

[Inclosure 1—Translation.]

The Minister for Foreign Affairs to the American Minister.

FOREIGN OFFICE,
Tegucigalpa, February 7, 1912.

Mr. MINISTER: The Comandante of Puerto Cortés reports by telegraph this morning that an armed force has disembarked from the American war-vessel at present anchored in those waters; and that this force, having subsequently reembarked, left one of its members, armed, in the office of the agent of the wharf, Mr. Greely, where he remains.

The presence of American vessels in Honduran waters is always pleasing to this people and its authorities, likewise that of their marines on its soil; but always with the understanding that they come unarmed, as is international practice between friendly nations.

The present situation in Honduras being perfectly tranquil, so that no danger threatens American lives and interests; and, on the other hand, said interests and lives being perfectly guaranteed by the laws and Government, the disembarking of said force and the fact that afterward, when it had been retired, one of its members still remained, as a sentinel, in a place that is not and cannot be for that purpose in view of the friendly relations that exist between Honduras and the United States and it being a question of foreign territory, could not fail to cause surprise.

With this understanding I have the honor, with instructions from the President, to address your excellency in order to ask whether you have notice of the acts cited and of their significance, since, if true, they do not correspond with the orderly and constitutional condition of the country nor with the friendly sentiments that inspire the relations of the two Governments, which that of Honduras has always desired should be close and sincere.

With sentiments [etc.]

MARIANO VÁSQUEZ.

[Inclosure 2—Translation.]

FOREIGN OFFICE,
Tegucigalpa, February 7, 1912.

MR. MINISTER: With instructions from the President, I have the honor to transcribe to your excellency the following telegraphic messages:

PUERTO CORTÉS, *February 7, 1912.*

At this moment, which is quarter before 11 of the morning, I have received from the Vice Consul of the United States in this port, Mr. J. H. Watts, the communication which literally says:

"AMERICAN CONSULAR SERVICE,
Puerto Cortés, February 7, 1912.

General, and Departmental Governor,
Present:

MY DEAR SIR AND GENERAL: I have the honor to advise you that, having refused us a brief delay in taking possession of the railroad, sufficient to permit instructions to be received from Washington and Tegucigalpa, the captain of the war-vessel now in the port has taken possession for the time being of said railroad until able to receive replies to his telegrams and cables, in which case he will return the railroad in accordance with his orders.

With high respect [etc.]

J. H. WATTS."

In order to reply to this communication I await your instructions.

Yours [etc.]

ANDRÉS LEIVA.

PUERTO CORTÉS, *February 8, 1912.*

MR. PRESIDENT: At this moment 10 armed marines disembark without consent of this Comandancia.

I await your orders.

F. C. QUINTANILLA.

My Government, Mr. Minister, has with profound surprise seen the conduct of the Commander of the war-vessel *Petrel*, inasmuch as the matter in question has as yet no international character and the act committed by him, with violation of the national territory, is in every light contrary to the universally recognized principles of the law of nations.

This act, Mr. Minister, constitutes, further, a transgression of the sovereignty of the nation, for the exercise of jurisdiction belongs to its established authorities alone, in conformity with legal precepts.

In view of what is here set forth, the Government is in duty bound to protest against the acts committed by the Commander of the war-vessel mentioned, acts which it attributes exclusively to said Commander; for it does not for a moment imagine that the American Government, cultured and civilized as it is, has authorized such acts, much less if there are taken into account the frank and cordial relations that today more than ever strengthen the bonds of friendship between the Governments of Honduras and the United States of America.

With the most distinguished consideration [etc.]

MARIANO VÁSQUEZ.

[Inclosure 3—Translation.]

FOREIGN OFFICE,
Tegucigalpa, February 8, 1912.

MR. MINISTER: I have the honor to transcribe to your excellency the following telegram:

PUERTO CORTÉS, *February 8, 1912.*

We have the honor to transcribe to you the communication which at this moment, which is 10.15 a. m., we receive from Mr. D. E. Dismukes, Captain of the American war-vessel *Petrel*, of which the translation that accompanied the Spanish says:

"PUERTO CORTÉS, *February 7, 1912.*

"Mr. F. C. QUINTANILLA, and Mr. ANDRÉS LEIVA,
"*Puerto Cortés, Honduras.*

"SIRS: I have the honor to acknowledge receipt of your letter dated the 7th instant, in which you warn me to withdraw the armed force which I disembarked in the territory of Honduras in connection with taking possession of the National Railroad on the part of the authorities of the Government of Honduras, formally protesting against this action on my part and making me responsible for the same.

"In reply I must remind you that before taking these steps to avoid your taking possession by force of the general office of the Railroad, you were respectfully and urgently requested by the American Consul in a written communication to delay your action until he, as well as I, could telegraph to our respective Departments and receive replies.

"My opinion, as well as that of the American Consul, is that the manner in which you attempted to violate the rights of American citizens, which are recognized or at

least were actually enjoyed under the previous Government of Honduras, was very precipitate and arbitrary. For these reasons, you not having conceded the time necessary to enable me to communicate with my Government, upon my own responsibility I disembarked the force mentioned in your letter. And I have the honor to assure you that it will not be possible for me to comply with your request to retire said forces without first receiving instructions from my Government.

"I have [etc.]

"E. D. DISMUKES."

Yours [etc.]

F. C. QUINTANILA.
ANDRÉS LEVIA.

In the foregoing message the Captain of the war-vessel *Petrel*, Mr. E. D. Dismukes, personally assumes the responsibility for the act in violation of our national territory committed at Puerto Cortés; therefore your excellency will find no difficulty in intervening to terminate the unauthorized acts of the Captain of the *Petrel*, giving to my Government the reply which it awaits from your high justification to the notes which I have had the honor to address to you.

With sentiments [etc.]

MARIANO VÁSQUEZ.

File No. 815.77/101.

The Acting Secretary of State to the American Minister.

No. 56.] DEPARTMENT OF STATE,
Washington, March 6, 1912.

SIR: The Department has received your No. 94 of the 8th ultimo, transmitting a decree of the Honduran Congress and a note of February 7 from the Minister for Foreign Affairs, in relation to the complaint of W. S. Valentine.

You will advise the Minister for Foreign Affairs that this Government will await with confidence the result of the judicial inventory and liquidation of accounts which he states have been ordered in connection with the Government's seizure of the Valentine railway properties.

You will also say that the Department does not find it easy to understand the statement that the Government of Honduras has no knowledge of any claim on the part of Mr. Valentine connected with the railway. The note of the Minister for Foreign Affairs acknowledges throughout its discussion that the Government delivered the railway to Mr. Valentine in 1908, and that from that time until the present it has permitted him to retain possession of and operate the same. It seems quite evident that, totally irrespective of whether or not the formal concession or lease granted to Mr. Valentine was valid and constitutional, the Honduran Government could not now expect successfully to maintain that by this governmental action the Government had not assumed such a special relation to Mr. Valentine in connection with his possession and operation of the railroad as would entail reciprocal rights, duties and obligations, which would have to be adjusted.

The Government of the United States must therefore be understood as reserving the right to make further representations regarding this matter, in the unlooked-for event that the judicial inquiry instituted by the Honduran authorities should appear not to accomplish substantial justice.

I am [etc.]

HUNTINGTON WILSON.

File No. 815.77/117.

The American Minister to the Secretary of State.

No. 117.] AMERICAN LEGATION,
Tegucigalpa, April 18, 1912.

SIR: Acknowledging the Department's instruction No. 56 of the 6th ultimo, in regard to the complaint of Mr. W. S. Valentine, I have the honor to enclose herewith a copy of a note addressed by me on the 12th instant to the Minister for Foreign Affairs in accordance therewith, and to be, Sir, [etc.]

CHARLES D. WHITE.

[Inclosure.]

The American Minister to the Minister for Foreign Affairs.

AMERICAN LEGATION,
Tegucigalpa, April 12, 1912.

MR. MINISTER: Referring to your excellency's note of February 7 last in regard to the complaint of Mr. Washington S. Valentine concerning the railroad and wharf at Puerto Cortés, I have the honor in fulfillment of instructions to advise you that my Government will await with confidence the result of the judicial inventory and liquidation of accounts which you state have been ordered in connection with this Government's seizure of the Valentine railway properties.

I am also instructed to say that the Department of State of my Government does not find it easy to understand the statement that the Government of Honduras has no knowledge of any claim on the part of Mr. Valentine connected with the railway. Your excellency's note above referred to acknowledges throughout its discussion that this Government delivered the railway to Mr. Valentine in 1908 and that from that time until the present it has permitted him to retain possession of and operate the same. It seems quite evident that, totally irrespective of whether or not the formal concession or lease granted Mr. Valentine was valid and constitutional, your excellency's Government could not now expect successfully to maintain that by this governmental action the Government had not assumed such a special relation to Mr. Valentine in connection with his possession and operation of the railroad as would entail reciprocal rights, duties and obligations, which would have to be adjusted.

The Government of the United States must therefore be understood as reserving the right to make further representations regarding this matter in the unlooked-for event that the judicial inquiry instituted by the authorities of Honduras should appear not to accomplish substantial justice.

Accept [etc.]

CHARLES D. WHITE.

File No. 815.77/124.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington May 25, 1912.

Complaint has been made by the attorneys for Valentine because the Collector of Customs at Puerto Cortés notified Mr. Valentine on March 12th that he was limited to twenty days to decide whether he would agree to sale of the wharf and that at the end of that time the Government would not permit further collection of wharfage

as it held the collection illegal since the contract expired March 12, 1908. It is claimed that this is practical seizure of the property.

Take this matter up informally with the Foreign Office and call attention to the decree of August 20, 1907, extending the wharf concession for twelve years in accordance with the provisions of article 9 of the contract of March 2, 1896. The Department is convinced in view of the 1907 decree and the operation thereunder for nearly five years, that the collector of customs must have misunderstood the orders from his Government, as the threatened action seems to be arbitrary and without any legal formalities and safeguards with which governments are accustomed to surround the exercise of the high sovereign powers involved. Urge the Government of Honduras to instruct the collector of customs not to interfere with the wharf concessionaires.

KNOX.

File No. 815.77/132.

The American Chargé d'Affaires to the Secretary of State.

[Extract.]

No. 139.] AMERICAN LEGATION,
Tegucigalpa, June 3, 1912.

SIR: With reference to your cablegram of May 25th, I have the honor to inform you that I immediately presented the matter to the Minister for Foreign Affairs, leaving with him at his request a memorandum on the subject; and that I received, on the 31st ultimo, in reply, a long memorandum from the Minister for Foreign Affairs; copies of which accompany this despatch. * * *

I have [etc.]

PERRY BELDEN.

[Inclosure 1.]

The American Chargé d'Affaires to the Minister for Foreign Affairs.

MEMORANDUM.

On March 2, 1896, the Government of Honduras granted to Mr. W. S. Valentine a concession, which was subsequently ratified by the National Congress, to build and to operate for a period of twelve years a wharf at Puerto Cortés, Department of Cortés. In the contract governing this concession provisions were made (article 9) for further extension of the concession by the Government of Honduras.

By a decree dated August 20, 1907, the Government of Honduras extended, under the provisions above referred to of article 9 of the original contract, Mr. Valentine's concession for a further period of twelve years, that is, until March 2, 1920.

Mr. Valentine now makes a formal complaint to the Government of the United States of America that he is in receipt of a notification dated March 12th last from the Collector of Customs at Puerto Cortés in which the concessionary is given twenty days, which cannot be extended, in which he may state whether he is prepared to come to an agreement regarding the sale of the wharf and that at the expiration of that period the Government of Honduras will not permit him to collect wharfage on the ground that such collection is illegal, as the contract of 1896 expired on March 12, 1908.

In view of the decree of August 20, 1907, extending Mr. Valentine's right to this concession and the operation of the concession thereunder for nearly five

years, the Government of the United States of America is convinced that the Collector of Customs at Puerto Cortés must have misinterpreted his Government's instructions, since the action threatened by the Collector appears from the representations made to the Department of State at Washington to be entirely arbitrary and lacking the legal formalities and guaranties with which governments customarily surround the exercise of the high sovereign powers involved.

In order that the concessionary be unmolested in the exercise of his rights as granted in the contract of March 2, 1896, subsequently extended on August 20, 1907, until 1920, and that the Collector of Customs at Puerto Cortés be corrected in any misunderstanding entertained by him in this matter, it is the urgent desire of the Government of the United States of America that the Government of Honduras, at as early a moment as possible, will instruct him to cease any interference of whatsoever kind with the operation of the wharf by the concessionary.

AMERICAN LEGATION,
Tegucigalpa, May 27, 1912.

[Inclosure 2—Translation.]

The Minister for Foreign Affairs to the American Chargé d'Affaires.

MEMORANDUM.

The Minister for Foreign Affairs of the Republic of Honduras has the honor to reply to the memorandum which the Chargé d'Affaires ad interim of the United States of America directed to him under date of the 27th instant, regarding the exploitation of the wharf at Puerto Cortés by Mr. Washington S. Valentine, in the following manner:

It is true that the Government of Honduras through the Inspector General of Finance celebrated a contract with the Messrs. Washington S. Valentine and George Isham Scott on March 2, 1896, approved by the National Congress Decree No. 75, of March 24 of the same year 1896, by which another contract was modified which had been approved in favor of Valentine by the Assembly of Honduras on June 7, 1895, for the contract and exploitation of the wharf at Puerto Cortés in the Department of Cortés.

But it is equally true that in section No. 9 of the same contract it was declared that "the contract will last for a term of twelve years, to be prolonged at the will of the Government, and will commence to be in force from the date of its approval by Congress. *Upon conclusion of this term the Government can take the wharf, paying its value according to the just valuation by experts, or it will permit that the concessionaries dispose of it as they see fit.*"

It is also true that the Government of Honduras, upon request of Mr. Washington S. Valentine of July 15, 1907, granted him by means of a simple resolution, not decree, as Mr. Valentine states (to issue the latter being a right reserved for Congress) a concession by means of which the contract of the 2d and 24th of March, 1896, was prolonged for another term of twelve years, to begin March 2, 1908.

But it is also true—and this was concealed by Mr. Valentine in his complaint—that in order to make a concession complete and valid, it needs, by means of an appropriate decree, the approval of the National Congress of the Republic, according to number 21, article 90 of the Constitution of Honduras, without which it has not and can not have any legal value.

The concession of August 20, 1907, prolonging the contract of March 2, 1896, was not approved by Congress, for which reason it was never perfected. Besides, on March 17, 1909, Mr. W. S. Valentine, "for himself and as representative of his associates," concluded an agreement with the Government by means of which (article 2) he revoked "the prolongation of the wharf contract at Puerto Cortés concluded August 20, 1907."

Article 5 of this agreement declared that "the value of the wharf and its appurtenances" "will be estimated by two experts, one named by each party, who will have the power to name a third in case of disagreement."

Finally, in article 9 of the said agreement of March 17, 1909, it is expressly stated that "the contracts annulled" are considered "cancelled and without any value," among which is the contract of August 20, 1907, providing for the extension of time. So that, even admitting, which cannot be done, that the said extension of time might be valid without approval by Congress, which is unconstitutional, it would nevertheless be at the present time cancelled and without any value, according to the agreement of annulment aforesaid.

The National Congress of the Republic so understood the matter at the time of issuing, on February 5, 1912, its Decree No. 28, in which it was declared: "Considering that the above-mentioned contracts are known to the Congress to be already annulled by the parties thereto"; and in the disposing clause it says: "Article 1. It is declared that the National Congress can not recognize the said contracts in their present state."

From the foregoing the following conclusions are arrived at:

(a) The contract for the construction and exploitation of the wharf at Puerto Cortés terminated in accordance with the meaning of article 9 thereof on March 24, 1908: the date of completion of the twelve years approved by the National Congress, counting from the time that it began to be in force.

(b) Said contract has not been extended, because the concession of extension of August 20, 1907, was never approved by Congress, like the original contract of March 2, 1896, and that of March 24, 1896.

(c) Even if it were possible to accept the existence of an extension of the contract of 1896, through the concession of August 20, 1907, this extension was cancelled and deprived of all value by the agreement of March 17, 1909.

(d) In view of the status of the matter, Messrs. Valentine and Scott have no rights other than those expressed in article 9 of the contract of 1896, according to which the Government either takes from them the wharf and pays for it according to a fair valuation by experts, or allows them to dispose of it as they wish.

It was in view of these facts that the instructions were given to the Collector of the Port at Puerto Cortés.

A legal Government having now been organized in Honduras, its first duty has been and is to reorganize the public administration from every point of view. Finding that because of unjustifiable leniency in the first place, and because of the country's abnormal condition in the second place, the concessionnaires continued to avail themselves of the concession although the agreement for the continuation of the contract to construct and exploit the wharf at Puerto Cortés had expired March 24, 1908, the Government decided, in accordance with the aforesaid article [9], to buy the wharf, paying its value according to the just valuation of experts, which decision the Government communicated to Mr. Valentine by means of the Collector of the Port at Puerto Cortés. The answer of Mr. Valentine was that he preferred to continue to exploit the wharf himself, for the benefit, as he said, of the Government and of commerce.

As it was not the intention of the Government to allow the ex-concessionnaires to select what might best suit their own interests, but to protect those of the Republic, complying with those stipulations of the contract of 1896 relating to its expiration, new instructions were given to the said Collector to request Mr. Valentine to decide whether or not he desired to sell the wharf, appointing, in case he desired to sell, an expert appraiser who in his behalf should make the valuation in order to fix the sale price, and granting him a term of twenty days for this decision.

The conduct of the Government of Honduras has therefore been entirely in accordance with the explicit terms of the contract of 1896, annulled by that of March 17, 1909, and in accordance with justice and right, which form the guiding principle of its operations; and in setting forth the preceding details it confidently hopes that the Government of the United States, whose upright and just standard it is pleased to recognize, will see, in view of the authentic documents which are herewith enclosed, the right of the Government of Honduras to proceed as it has proceeded, returning to the public treasury an income that properly belongs to it, at the same time respecting the interest of the ex-concessionnaires of the wharf provided for in the said article 9 of the contract of March 2, 1896, approved by the National Congress March 24, 1896, by buying the wharf in accordance with the just valuation of experts if the ex-concessionnaires so desire or allowing them to dispose of it according to their wish, de-

stroying it or taking away the material, but to cease charging the wharfage to which the expired contract once entitled them, but to which they no longer have any right since the said date of March 24, 1908.

FOREIGN OFFICE,
Tegucigalpa, May 31, 1912.

File No. 815.77/132a.

The Acting Secretary of State to Messrs. Stetson, Jennings and Russell, attorneys for Mr. Valentine.

DEPARTMENT OF STATE,
Washington, June 25, 1912.

GENTLEMEN: The Department acknowledges the receipt of your communication of the 15th instant[1] in which you briefly review the developments in the matter of the claims of Mr. Washington S. Valentine against the Government of Honduras and state that Mr. Valentine is willing to make concessions to that Government upon condition that the whole matter in dispute shall now be settled by a board of arbitration. You suggest, on behalf of Mr. Valentine, that the Government of Honduras be advised, through diplomatic channels, of Mr. Valentine's proposal and that it be suggested to that Government that it appoint an arbitrator with full authority to pass upon all the questions now in dispute between Mr. Valentine and Honduras; that Mr. Valentine shall appoint an arbitrator to represent him, the third to be named by the first two or, in the event of their failure to agree thereon, to be appointed by the Department of State.

As this proposal evidently contemplates a private arbitration of this matter, the propriety and desirability of which are to be determined entirely by Mr. Valentine and the Government of Honduras, the question would appear to be one in which the Department has no official concern other than attaches by reason of its general duty to do all it properly may to facilitate the adjustment of difficulties and disputes between American citizens and foreign governments. Pursuant to this duty, however, it will be glad, in the event such a method of settlement is proposed to the Government of Honduras and that Government manifests an unwillingness to accept the proposal, to instruct the Legation at Tegucigalpa to exercise such informal and unofficial good offices as it properly may, with a view to securing acceptance of such a proposition.

You will, of course, understand that in view of the fact that these claims of Mr. Valentine against the Government of Honduras seemingly have their origin in violations of contract, it is not improbable that as an official question between this Government and the Government of Honduras, the rules governing the presentation of contract claims will be applicable and that before any affirmative official action could be taken by this Government, it would be necessary to examine the question of exhaustion of local remedies by Mr. Valentine and the suffering of a denial of justice as a result of his resort to the courts.

I am [etc.]

HUNTINGTON WILSON.

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[1] Not printed.

File No. 815.77/148.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Tegucigalpa, August 31, 1912.

I have learned that about the middle of last July the President informed Mr. Valentine by cable that Mr. Greely would be permitted to collect wharfage pending final settlement, provided the wharf be sold to the Government, as it did not want to construct a new wharf. No reply was received for fifteen days and the Government proceeded, in accordance with decree No. 30 of the 10th ultimo, to construct a new wharf. Travelers from the north have advised him that work on the new wharf has already begun.

BELDEN.

ITALY.

SOVEREIGNTY OF ITALY OVER LIBYA; ATTITUDE OF THE UNITED STATES IN REGARD TO RECOGNITION THEREOF. RELINQUISHMENT OF EXTRATERRITORIAL RIGHTS.[1]

File No. 765.003.

The Italian Chargé d'Affaires to the Secretary of State.

[Translation.]

No. 1704.] ITALIAN EMBASSY,
Washington, October 30, 1912.

MR. SECRETARY OF STATE: In accordance with the telegraphic instructions that I have received from his excellency the Minister for Foreign Affairs, I have the honor to inform your excellency that in consequence of the recognition by the foreign powers of our sovereignty over Tripolitania and Cyrenaica, the special régime formerly enjoyed by foreigners in those territories, by virtue of the Capitulations of the Ottoman Empire, has ended, in conformity with universally accepted principles of international law. The necessary instructions have consequently been issued to the Royal authorities in Libya for the application to foreigners, from November 1, of the dispositions of the general law, with the reservation of providing for the settlement of all pending questions by eventual accords and further dispositions.

Begging your excellency kindly to acknowledge this communication, I have [etc.]

G. CATALANI.

File No. 765.003/7.

The American Ambassador to the Secretary of State.

No. 247.] AMERICAN EMBASSY,
Rome, October 30, 1912.

SIR: For some time past local newspapers have been giving currency to statements as to the recognition of Italian sovereignty over Tripoli and Cyrenaica.

Visiting the Foreign Office today, the Vice Minister for Foreign Affairs, Prince di Scalea, made reference to the matter and remarked upon the method with which the subject had been dealt with by our Government.

He then read to me a despatch from the Italian Ambassador in Washington detailing a late visit to the Department of State. He wrote that his conversation was with Mr. Adee and that he had

[1] Continued from For. Rel. 1912, pp. 632–633.

broached the subject of the late treaty with Turkey, as to Italy's sovereignty over the territories in question, and that he hoped for action by the United States similar to that taken by other powers.

Continuing, the Ambassador added that Mr. Adee replied that it was not the custom of his Government to proceed in that manner, especially with regard to affairs European; that when the United States took over the Philippine Islands and Porto Rico, foreign governments were not asked for their acquiescence nor for their recognition, and none was given. He said of course the United States Government was fully aware of what had taken place and as to the effect of the late treaty, and while it had no objection at all to the attitude of Italy, nevertheless an explicit form of recognition must not be expected.

It should be added that Prince di Scalea did not criticise our method but, on the other hand, seemed to treat the matter as the practical equivalent of what had been done in a more pronounced manner by other nations.

It is assumed that our Consul at Tripoli has been advised.

I have [etc.]

THOMAS J. O'BRIEN.

File No. 765.003.

The Secretary of State to the Italian Chargé d'Affaires.

No. 380.] DEPARTMENT OF STATE,
Washington, February 28, 1913.

SIR: I have the honor to acknowledge the receipt of the note (No. 1704) of October 30, 1912, by which, under instruction from your Government, you informed me that in view of the cessation of the special régime formerly enjoyed by foreigners in Tripolitania and Cyrenaica by virtue of the Capitulations of the Ottoman Empire, the necessary instructions had been issued to the Royal authorities in Libya in order that, from November 1st, 1912, the dispositions of the general law should be forthwith applied to foreigners, under the reserve of providing for the settlement of all pending questions by eventual accords and further dispositions.

In taking note of this communication, I have the honor to inform you that the appropriate diplomatic and consular representatives of this Government have now been instructed[1] to conform to the legal situation thus established in Libya.

I take this occasion further to inform you that the American Consulate at Tripoli will henceforth be administered as subordinate to the Consulate General at Genoa, under the supervision of the American Embassy at Rome. It is assumed that it will not be necessary to make application for a new exequatur for the Consul who has been exercising his functions at Tripoli since before the occupation of Libya by the Italian forces.

Accept [etc.]

P. C. KNOX.

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[1] By telegrams of February 27; not printed.

File No. 765.003.

The Secretary of State to the American Ambassador.

No. 130.] DEPARTMENT OF STATE,
Washington, March 1, 1913.

SIR: Referring to the instruction (No. 111) of December 5th last,[1] on the subject of the extension of Italian sovereignty to Libya, in which you were informed that the Department would in the near future instruct you further as to the attitude to be adopted on the question of the relinquishment of extraterritorial rights in Tripolitania and Cyrenaica, I enclose herewith for your information a translation of the note under date of October 30th last by which the Italian Chargé d'Affaires informed me that in view of the cessation of the special régime formerly enjoyed by foreigners in those regions by virtue of the Capitulations of the Ottoman Empire, instructions have been given to the Italian authorities in Libya to the effect that from November 1st, 1912, the provisions of the general law would be applicable to foreigners. I also enclose a copy of the note under date of February 28th in which the Department, taking note of this communication, informs the Italian Embassy that the appropriate American diplomatic and consular representatives have been instructed to conform to the legal situation thus established in Libya. The substance of this reply was communicated to you by telegraph February 27th, with the direction that your Embassy, as also the Consulate General at Genoa and the Consulate at Tripoli, to both of which the instruction was directed to be repeated, should be guided by the purport of that note.

I am [etc.]

P. C. KNOX.

File No. 765.003.

The Secretary of State to the American Ambassador at Constantinople.

No. 231.] DEPARTMENT OF STATE,
Washington, March 1, 1913.

SIR: Supplementing the instruction (No. 206) of December 5th last[2] with which there was enclosed for your information certain correspondence in regard to the recognition of Italian sovereignty over Tripolitania and Cyrenaica, I now enclose for your further information a copy of an instruction under today's date to the Embassy at Rome, together with its enclosures, on the subject of the relinquishment of extraterritorial rights in Libya.

You will bring to the attention of the Consul General at Constantinople the fact that the Consulate at Tripoli will henceforth be administered as subordinate to the Consulate General at Genoa.

I am [etc.]

P. C. KNOX.

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[1] For. Rel. 1912, p. 633. [2] Not printed.

File No. 765.003.

The Secretary of State to the American Consul General at Genoa.[1]

No. 152.] DEPARTMENT OF STATE,
Washington, March 10, 1913.

SIR: There is enclosed for your information a copy of an instruction with accompanying enclosures addressed to the American Ambassador at Rome on the subject of the extension of Italian sovereignty to Libya, and as to the relinquishment of extraterritorial rights in Tripolitania and Cyrenaica.

You are directed to conform to the legal situation established in Libya through the cessation of the special régime formerly enjoyed by foreigners by virtue of the Capitulations of the Ottoman Empire.

I am [etc.]

For Mr. Bryan:
WILBUR J. CARR.

TREATY BETWEEN THE UNITED STATES AND ITALY AMENDING ARTICLE 3 OF THE TREATY OF COMMERCE AND NAVIGATION OF FEBRUARY 26, 1871.

Signed at Washington, February 25, 1913; ratification advised by the Senate, February 26, 1913; ratified by the President, March 1, 1913; ratified by Italy, June 21, 1913; ratifications exchanged at Washington, July 3, 1913; proclaimed, July 3, 1913.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

WHEREAS a Treaty between the United States of America and the Kingdom of Italy amendatory of Article III of the Treaty of Commerce and Navigation of February 26, 1871, was concluded and signed by their respective Plenipotentiaries at Washington, on the twenty-fifth day of February, one thousand nine hundred and thirteen, the original of which Treaty, being in the English and Italian languages, is word for word as follows:

Treaty between the United States of America and His Majesty the King of Italy, amending the Treaty of Commerce and Navigation concluded February 26, 1871, between the same High Contracting Parties.

The United States of America and His Majesty the King of Italy, desiring to define more accurately the rights of their respective citizens in the territories of the other, have for that purpose determined to conclude a treaty amendatory of Article III of the Treaty of Commerce and Navigation of February 26, 1871, between the two countries and have named as their respective Plenipotentiaries:

The President of the United States of America: Philander C. Knox, Secretary of State of the United States of America;

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[1] The same to the American Consul at Tripoli-in-Barbary.

His Majesty the King of Italy: The Marquis Cusani Confalonieri, Commander of the Order of Saint Maurice and Saint Lazarus, Grand Cordon of the Order of the Crown of Italy, etc., etc., His Ambassador Extraordinary and Plenipotentiary at Washington:

And the said Plenipotentiaries having exhibited, each to the other, their full powers, found to be in good and due form, have concluded and signed the following articles:

ARTICLE I.

It is agreed between the High Contracting Parties that the first paragraph of Article III of the Treaty of Commerce and Navigation of February 26, 1871, between the United States and Italy shall be replaced by the following provision:

The citizens of each of the High Contracting Parties shall receive in the States and Territories of the other the most constant security and protection for their persons and property and for their rights, including that form of protection granted by any State or national law which establishes a civil responsibility for injuries or for death caused by negligence or fault and gives to relatives or heirs of the injured party a right of action, which right shall not be restricted on account of the nationality of said relatives or heirs; and shall enjoy in this respect the same rights and privileges as are or shall be granted to nationals, provided that they submit themselves to the conditions imposed on the latter.

ARTICLE II.

The present Treaty shall be ratified by the President of the United States, by and with the advice and consent of the Senate thereof, and by His Majesty the King of Italy, in accordance with the constitutional forms of that Kingdom, and shall go into operation upon the exchange of the ratifications thereof, which shall be effected at Washington as soon as practicable.

In faith whereof the Plenipotentiaries of the High Contracting Parties have signed the present Treaty in duplicate in the English and Italian languages, and have affixed thereto their respective seals.

Done at Washington this 25th day of February in the year of our Lord one thousand nine hundred and thirteen.

[SEAL] PHILANDER C KNOX
[SEAL] CUSANI

And whereas the said Treaty has been duly ratified on both parts and the ratifications of the two Governments were exchanged in the City of Washington, on the third day of July, one thousand nine hundred and thirteen;

Now, therefore, be it known that I, Woodrow Wilson, President of the United States of America, have caused the said Treaty to be made public, to the end that the same and every article and clause thereof may be observed and fulfilled with good faith by the United States and the citizens thereof.

In testimony whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the city of Washington, this third day of July in the year of our Lord one thousand nine hundred and thirteen, and [SEAL] of the Independence of the United States of America the one hundred and thirty-seventh.

WOODROW WILSON

By the President:
W. J. BRYAN
Secretary of State.

PAYMENT BY THE UNITED STATES TO ITALY OF AN INDEMNITY FOR THE LYNCHING OF ANGELO ALBANO, AN ITALIAN SUBJECT.

File No. 311.651T15/18.

Memorandum by the Solicitor of the Department of State.

APRIL 13, 1911.

THE TAMPA LYNCHING.

CLAIM IN BEHALF OF THE ITALIAN SUBJECT ANGELO ALBANO.

On September 21, 1910, the Department was informed by telegram [1] from the Italian Chargé that two Italians had been lynched at Tampa, Florida, on the previous night. This telegram was immediately repeated [1] by the Department to the Governor of Florida with a request that the State authorities take such steps as might be necessary to protect the lives of other Italians which were said to be threatened.

The State authorities later informed [2] the Department that it appeared that one of the victims, Ficcarotta, was a naturalized citizen and that the other, Albano, was born in this country. It subsequently transpired [3] that the statement in regard to Ficcarotta represented the fact, but the Italian Embassy has in the case of Albano submitted [4] to the Department a birth certificate setting forth that he was born in San Stephano Quisquina, Italy.

Under date of October 10, 1910, the Governor of Florida addressed a letter [5] to the Department stating that he had taken whatever steps seemed to him to be necessary in the case of Albano and that he had communicated with the Sheriff, the State Attorney of the Circuit in which Tampa is located, the Solicitor of the Criminal Court of Record of Hillsborough County and with the Judge of the Criminal Court of Record of that county. In his letter he enclosed a communication from R. A. Jackson, the Sheriff of Hillsborough County, and several affidavits, the latter to the effect that Albano, in order to vote at city elections, had sworn that he was an American citizen. The Sheriff's version of the affair, as appears in his communication to the Governor just referred to, is as follows:

* * * Albano and Ficcarati [Ficcarotta] were taken from two of my deputies who had them in charge under warrants charging them with complicity

[1] File No. 311.651T15.
[2] File No. 311.651T15/18.
[3] File No. 311.651T15/6.
[4] File No. 311.651T15/13.
[5] File No. 311.651T15/11.

in the assassination of J. F. Easterling, now deceased. Within thirty minutes after Albano and Ficcarati [Ficcarotta] were taken away from my deputies I had five deputies in the field hunting for the parties implicated in the lynching. They, of course, could find nothing. The next day a jury was empanelled to inquire into the lynching, which jury was kept in session more than a week, and every effort made by myself and thirty special deputies to ascertain something in connection with the lynching. No evidence of any kind could we find pointing to the guilt of anyone, and the jury accordingly found that Albano and Ficcarati [Ficcarotta] came to their death at the hands of parties unknown. * * *

With a note[1] from the Embassy, dated October 13, 1910, was transmitted a report by Count Moroni, Royal Attaché of the Immigration Service at New Orleans, summarizing the results of an investigation made by him at Tampa. Count Moroni states that he has no direct evidence against the principals in the lynching, as the Americans would not incriminate themselves and the Italians would not speak from fear of retribution, they being terrorized by the lynchers, and that accordingly his statements are based upon public rumor and certain clues. The report charges that the lynching was committed by citizens of West Tampa with the connivance of the local police authorities. The charge of connivance by the authorities is made to rest principally upon the following alleged circumstances of the affair: Shortly after the arrest of Ficcarotta and Albano upon the charge of murdering Easterling, Sheriff Jackson gave orders to transfer the prisoner[s] from the West Tampa jail, which was not considered safe, to the jail at Tampa. This order was given to Deputy Sheriff Keagging, who in turn commissioned another deputy, Evans, to effect the transfer. Evans, instead of using the electric van or the wagon intended for the conveyance of prisoners, hired a public hack and attempted to make the transfer with the protection only of a friend, one Bryan, who accompanied him. It is further alleged that a circuitous and unusual route between the two jails was followed, leading through sparsely populated portions of the community. (It should be observed that the local authorities justify this procedure on the ground that had the prisoners been taken by the direct route, through Main Street, where many Italians live, they would have been freed.) As a result of the lack of adequate protection, while the conveyance with the prisoner[s] was proceeding along a lonely part of the road, the prisoners were easily taken from their custodians and shortly thereafter were lynched. It is also alleged that the Deputy Sheriff failed to use all means at his disposal to effect the capture of the lynchers.

This report was transmitted[1] to the Governor of Florida for the purposes of his investigation, with a request that he apprise the Department of the results of the investigation in such time as would permit of prompt communication to the Embassy.

Under date of February 13, 1911, the Embassy informed[2] the Department that it had recently been furnished with a copy of the minutes of the Grand Jury of Hillsborough County, from which it appeared that the Grand Jury had failed to find any evidence connecting anybody with the lynching at Tampa. The Embassy again summarized what it deemed to be the facts of the matter and expressed the hope that some settlement would be arrived at without

[1] File No. 311.651T15/12. [2] File No. 311.651T15/14.

further delay. This note was communicated[1] to the Governor of Florida. The Department referred to the international duty of affording appropriate protection to aliens within our territory and expressed the hope that it might be possible for the Florida authorities again to investigate the matter with all possible thoroughness in order to bring the guilty persons to justice. It was further observed that the Department was confident that should the facts sustain the construction put upon them by the Embassy, the State of Florida would be prepared to make such satisfaction for the death of Albano as might be required by the applicable rules of international law.

The Department sent[1] to the Embassy a copy of its letter to the Governor of Florida, expressing the hope that an early determination of the affair might be effected. The communication sent to the Embassy continued by adverting, in connection with the Albano case, to a similar complaint, which the Government of the United States therein renewed, to the Government of Italy for the wounding of one of its citizens and for the death of another, both of which events took place under the very eyes of the police and other national Italian officers and in spite of which fact no protection had been given to the American citizens nor had the perpetrators of the crime been apprehended or punished. The facts of the pending Nowell and Wilson case were then set forth, the burden of the statement being that the local Italian authorities wholly failed to apprehend Nowell and Wilson's assailants though it appeared that by the exercise of ordinary diligence they could easily have ascertained their identity. Reference was also made to the circumstance that Nowell, the surviving victim, had been sentenced to a considerable term of imprisonment for defending himself against attacks of the mob.

The Governor of Florida has recently sent to the Department a statement[2] from the State Attorney describing the failure of the Grand Jury to find any incriminating evidence.

File No. 311.651T15/23.

The Italian Ambassador to the Secretary of State.

No. 1024.] ITALIAN EMBASSY,
Washington, June 24, 1912.

MY DEAR MR. SECRETARY OF STATE: With my three previous communications[3] under the dates of April 7th, #689, May 31st, #994, and June 21st, 1911, #1133, I had the honor to recommend to the usual courtesy of your excellency that the case of the lynching of Angelo Albano, occurred at Tampa, Florida, on September 20th, 1910, should be settled without any further delay.

As I have not received to this date any answer on the subject, I beg to recapitulate the status of the question, in the firm belief that your excellency will be able to give a definite answer to the solicitations of my Government on the matter.

By its note[3] of November 7th, 1910, the Department of State transmitted to this Royal Embassy the copy of a letter, with enclosures,

[1] File No. 311.651T15/14. [2] File No. 311.651T15/17. [3] Not printed.

of the Governor of Florida, promising to communicate a further report of the said Governor, which was expected.

With the note[1] of February 28th, 1911, your Department sent to the Embassy the copy of a letter which it had sent to the Governor of Florida, reading, inter alia, as follows:

> Should the facts, as finally elicited, sustain the construction put upon them by the Italian Embassy, and should it be found, after careful consideration, that the law applicable thereto is as laid down by that Embassy, the Department is confident that you will consider it necessary and just to meet any international obligation imposed by such a situation and that failing to apprehend and punish those responsible for the outrage, the State of Florida will be prepared at once, should the circumstances and the rules of international law require it, to make adequate satisfaction for the death of Albano, whose Italian nationality, in the absence of any countervailing evidence of naturalization, seems now fairly established.

Since the date of the aforesaid letter, no facts which would tend to contradict the findings reached by the Italian Embassy have been notified to the same, nor have the conclusions of law stated by the same been controverted in any way. In fact, this Embassy has not been notified that the Governor of Florida did ever answer the letter addressed to him by the Department of State on February 28th, 1911, nor that the authorities of that State did ever take any action in consequence of the letter in question.

The Department of State, by its aforesaid note of February 28th, 1911, introduced in the proceedings of the lynching at Tampa an occurrence in Catania, Italy, consisting of a fight between two American sailors and some Italians, but the Italian Embassy could not see any connection whatsoever, or even an analogy, between the two cases, and it replied accordingly with the aforesaid note of April 7th, 1911.

In consideration of what is above stated, and according to the orders of my Government, I must insist again that an adequate indemnity be granted without any further delay, for the lynching of the Italian citizen Angelo Albano.

I have the honor to enclose a memorandum[2] of some other similar cases, in which such an indemnity was paid for lynchings of Italian subjects.

Trusting that your excellency will take up the matter to that effect, I beg to renew [etc.]

CUSANI.

File No. 311.651T15/25.

The Italian Chargé d'Affaires to the Secretary of State.

No. 2202.] ITALIAN EMBASSY,
Washington, December 31, 1912.

MR. SECRETARY OF STATE: The Royal Ministry for Foreign Affairs has directed me to report immediately the reasons why the Royal Embassy has thus far been unable to reach a solution in the case of the indemnity due for the lynching of the Italian subject Angelo Albano at Tampa, Florida, on September 20, 1910.

[1] Referred to in the foregoing memorandum by the Solicitor.
[2] Not printed.

In order to be enabled to make the desired reply, I venture again to have recourse to your excellency's well-known courtesy and to ask that you issue instructions to let the Royal Embassy have a reply to the note addressed to the Department of State by his excellency Marquis Cusani on the 24th of June last.

Thanking your excellency [etc.]

G. CATALANI.

File No. 311.651T15/25.

The Secretary of State to the Italian Ambassador.

No. 381.] DEPARTMENT OF STATE,
Washington, March 1, 1913.

EXCELLENCY: I have the honor to acknowledge the receipt of your note of the 31st of December last, asking for a reply to the note addressed to this Department on June 24th last, by your excellency, regarding the case of the lynching of the Italian subject, Angelo Albano, at Tampa, Florida, on September 20, 1910.

Referring to the Embassy's previous notes regarding this case, I desire to express my regret that, through an inadvertence, the Department failed to communicate to the Royal Italian Embassy the reply[1] received from the Governor of Florida to the Department's letter to him of February 28, 1911, referred to in the Department's note to the Embassy of that date. I may say now that this reply enclosed a report, made at the Governor's request by the State Attorney of Florida, respecting the proceedings of the grand jury called to investigate the killing of the Italian subject Albano and the related matter of the killing of one Easterling, an American citizen resident of Tampa. This report recapitulated evidence with which the Embassy is already familiar in the main, and stated that, although a large number of witnesses were brought before the grand jury, including the driver of the hack in which Albano was being carried, no one could be found who could give evidence as to the identity of the persons who constituted the party which took him from the custody of the officers who had him in charge. In transmitting this report, the Governor of Florida pointed out that it evidenced that the State of Florida had exerted itself to secure the names of the persons who had participated in the wrong.

Referring further to the Embassy's note of June 24th, I may say that I have noted the request of the Royal Italian Government that an indemnity be granted by this Government for the killing of Albano and have carefully and attentively studied the circumstances and contentions upon which this request is founded, and I regret that I am not at this time persuaded that under all the circumstances of the matter this Government would, in justice and under the applicable principles of international law, be clearly warranted in taking the course desired by the Royal Italian Government.

Accept [etc.]

P. C. KNOX.

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[1] Last reference in the Solicitor's memorandum.

File No. 311.651T15/28.

The Italian Ambassador to the Secretary of State.

No. 481.] ITALIAN EMBASSY,
Washington, April 16, 1913.

MR. SECRETARY OF STATE: By his note of the 1st of March ultimo your excellency's predecessor, Mr. Knox, advised me that he was not at that time persuaded that the demand of an indemnity from the Government of the United States, formulated by the Royal Embassy on account of the lynching of Angelo Albano, an Italian subject, in Tampa, Florida, on the 20th of September, 1910, could be acquiesced in.

As the reasons for this intimation were not stated, my Government has ordered me to bring this pending question, already long protracted, to the kind attention of your excellency, feeling certain that you will give to it the solution required by the principles of equity and in conformity with the precedents already followed, according to the requirements of international law.

I therefore have the honor to refer the foregoing to your excellency, and should be thankful if you would be kind enough to inform me as early as possible what determination you have considered advisable to take in respect to it.

Please accept [etc.]

CUSANI.

File No. 311.651T15/29.

The Italian Ambassador to the Secretary of State.

[Translation.]

No. 825.] ITALIAN EMBASSY,
Washington, June 10, 1913.

MR. SECRETARY OF STATE: While personally handing to your excellency my note of the 16th of April ultimo, No. 481, I had the honor to inform you verbally that the sum demanded by my Government as indemnity for the lynching of Angelo Albano, an Italian subject, which occurred in Tampa, Florida, the 20th of September, 1910, is six thousand dollars, pointing out that in consideration of the circumstances and, above all, the delay of three years in settlement of said matter, the said sum is far inferior to the indemnities paid in previous analogous cases.

In accordance with new telegraphic instructions that I have received, I have the honor to confirm said demand of indemnity of six thousand dollars, begging your excellency that with your customary courtesy you will give me an answer as soon as possible, which I have no doubt will be favorable.

Accept [etc.]

CUSANI.

House of Representatives.
63d Congress; 1st session.
Document No. 105.

Message from the President of the United States, transmitting Report from the Secretary of State in relation to the case of Angelo Albano, an Italian subject.

To the Senate and the House of Representatives:

I transmit herewith a report from the Secretary of State in relation to the case of Angelo Albano, an Italian subject, who, on September 20, 1910, was, while in custody on a charge of crime, at Tampa, Fla., seized by an armed mob and killed; and I recommend that, as an act of grace and without reference to the question of the liability of the United States, Congress make suitable provision for the heirs of the Italian subject thus killed, the proceeds to be distributed by the Italian Government in such manner as it may deem proper.

WOODROW WILSON.

THE WHITE HOUSE,
Washington, June 26, 1913.

The PRESIDENT:

On September 20, 1910, at Tampa, Fla., Angelo Albano, a subject of the King of Italy, was, while in custody on a charge of crime, seized by an armed mob and killed.

On representations made of the affair by the Italian Embassy at this capital, the Department of State immediately communicated with the Governor of Florida in order that appropriate steps might be taken to investigate the case.

The Governor had already taken measures to bring the guilty parties to justice. The next day after the occurrence a jury was empaneled to inquire into the matter. This jury was kept in session more than a week, during which time every effort was made by the sheriff of Hillsboro County and 30 special deputies to ascertain the perpetrators of the crime, but no evidence was obtained pointing to the guilt of anyone and the jury accordingly found that Albano came to his death at the hands of parties unknown.

Subsequently, at the fall term, 1910, of the circuit court for Hillsboro County, the grand jury investigated this case, but no indictment was found or other steps taken resulting in the apprehension and punishment of the perpetrators of the offense; and notwithstanding the cooperation of the Governor of the State with the Federal Government in order to bring them to justice, it appears that all efforts have been in vain.

As a consequence the Italian Embassy, in the name of the Government of Italy, has appealed to the sense of equity and justice of this Government for some settlement of this case and has requested that an indemnity of $6,000 be granted to that end.

In view of all the circumstances of the case and of the action taken by Congress in the cases of the lynching of Italian subjects at Walsenburg, Colo., in 1895; Hahnville, La., in 1896; Tallulah, La., in 1899;

and Erwin, Miss., in 1901, and for the preservation of the cordial relations now existing between the United States and Italy, the Secretary of State has the honor to recommend that the Congress be requested as an act of grace and without reference to the question of the liability of the United States, to make suitable provision for the heirs of the Italian subject, Angelo Albano, in the amount named, to be distributed by the Italian Government in such manner as it may deem proper.

In this relation the Secretary of State has the honor to lay before the President, with a view to their transmission to Congress for the consideration of that body in relation to this case, copies of papers, some of which have been submitted by the Ambassador of Italy at this capital, in support of the claim for an indemnity made against the Government of the United States.

Respectfully submitted.

W. J. BRYAN.

DEPARTMENT OF STATE,
Washington, June 24, 1913.

[Province of Girgenti. District of Bivona. Commune of S. S'efano Quisquina. Office of Civil Statistics.]

Extract from the register of birth certificate of 1886. No. 14. Angelo Albano.

In the year 1886, January 11, at 11 a. m., in the Municipal Building, before me, Salvatore Reina, assessor, acting as mayor, recorder of civil statistics of the Commune of S. Stefano Quisquina, appeared Albano Pietro di Angelo, 28 years old, domiciled in this Commune, who declared to me that at 4 a. m. of the 10th instant, in the house situated in Ciacchino Street at No. ——, there was born, of Vincenza La Rosa, daughter of Vincenzo La Rosa, a country woman, his (Albano's) wife, cohabiting with him, a baby of male sex, whom he presents to me and to whom he gives the name of Angelo.

All of which, besides this document, was witnessed by the witnesses Stefano Lazzara, 25 years old, a peasant, and Antonio Cullaro, 50 years old, a peasant, both residing in this Commune.

The present document having been read to the parties thus appearing, I have signed it, the declarant and the aforementioned witnesses having declared their inability to write.

S. REINA.

An extract agreeing with the original issued at the request of his excellency the Minister of Foreign Affairs.

S. Stefano Quisquina, October 4, 1910.

[SEAL.]

AICONE,
Recorder of Civil Statistics.

STATE OF FLORIDA,
County of Hillsboro, ss:

Before me, the undersigned authority, personally appeared Domenico Albano, who being duly sworn, deposes and says: I am the uncle of Angelo Albano, who was lynched on September 20, 1910, near the city of West Tampa, Fla. I am positive that my nephew, Angelo Albano, was born in Italy about 24 years ago. About 15 days previous to his death, as I had the intention to apply for naturalization for myself, I asked him to accompany me to the Federal court to declare my intention of becoming an American citizen; the said Angelo Albano then told me I had better not do so, as he had never gotten naturalization papers himself and that he never intended to apply for them. Acting on his advice I did not go to declare my intention of becoming an American citizen, as I was inclined to do. I am positive that my brother, Petro Albano, father

of the said Angelo Albano, was born in Italy about 53 years ago, and I lived with my brother, the father of Angelo Albano, from the year 1899 to 1902, inclusive, and during that time he never obtained naturalization papers or voted. And I remember also that in frequent conversations on the subject he always declared himself as not being in favor of becoming an American citizen.

[SEAL.] DOMENICO ALBANO.

Witnesses:
R. A. SCOTTI.
C. F. MCCULLUM.

Subscribed and sworn to before me this 3d day of October, A. D. 1910.

[Notarial seal.] C. F. MCCULLUM,
Notary Public, State of Florida at Large.

My commission expires June 7, 1911.

STATE OF FLORIDA,
County of Hillsboro, ss:

Before me, the undersigned authority, personally appeared Vincenza La Rosa Albano, who, being duly sworn, deposes and says:

I am the mother of Angelo Albano, who was lynched on September 20, 1910, near the city of West Tampa, Fla. I gave birth to my son, the said Angelo Albano, in Italy, about 24 years ago. About 15 days before his death, when my brother-in-law, Domenico Albano, asked him to assist him in becoming a naturalized citizen of the United States, my son Angelo Albano said on that occasion in my presence that he had never become a citizen of the United States and never intended to apply for citizenship papers, as Italians would always be considered as Italians regardless of the naturalization papers. I further depose and say that my husband, Pietro Albano, who was born in Italy and raised with me in my native town, always expressed himself as being opposed to taking out naturalization papers in the United States, principally for the reason that during his stay in this country he worked for 10 years on a sugar plantation in the State of Louisiana and for 7 years in the State of Colorado at other manual labor, which kept him out of the influence of politicians, and to my certain knowledge he never voted.

[SEAL.] VINCENZA LA ROSA (her x mark) ALBANO.

Witnesses:
R. A. SCOTTI.
C. F. MCCULLUM.

Subscribed and sworn to before me this 3d day of October, A. D. 1910.

[Notarial seal.] C. F. MCCULLUM,
Notary Public, State of Florida, at Large.

My commission expires June 7, 1911.

TAMPA, FLA., *March 17, 1911.*

HON. ALBERT W. GILCHRIST,
Tallahassee, Fla.

DEAR SIR: Your letter of the 14th instant, in which you state that you do not think it will be necessary for me to send you a transcript of the evidence taken before the grand jury in the above matter, has been duly received.

A large number of witnesses were brought before the grand jury and interrogated about the matter, but no one could be found who could give any idea as to who constituted the party that took Albano from the custody of the officers. The two deputy sheriffs testified that they were sent by the sheriff's office over to West Tampa, which is about a mile and a half from the courthouse, to get Albano and Figarrota, who had been arrested on some criminal charge. They stated that they got a hackman to drive them over to where Albano and Figarrota were held in custody; that they went by way of Fortune Street, and would have returned that way with said prisoners, and it is the nearest way to the jail, if Albano had not requested them to come by way of the courthouse so that he could see if he could not furnish a bail bond before being locked up in jail; that they complied with his request and came by way

of Moody Heights, which would have brought them into Tampa by way of Grand Central Avenue and Lafayette Street; that as they were traveling south and a short distance from Grand Central Avenue, at what is called Moody Heights, they were suddenly held up by having pistols thrust into their faces, and the horses stopped by men standing in front of them and grabbing the reins; that while some held pistols in their faces the others in the party took Albano and Figarrota and placed them in an automobile, after which the crowd left; that they then turned around and went back to West Tampa and notified the sheriff's office and the police department of the occurrence; that the prisoners were taken from them about 9 o'clock that night; that they did not recognize the voice, the form, or the size of any person in the crowd, and that they could not give any idea as to who was in the crowd, and that they did not recognize a single individual.

The hack driver also swore that he did not know anyone in the party and that he had no idea who any of them were.

It was impossible to get any evidence as to the identity of the parties from any witness examined.

The grand jury investigated the killing of Easterling at the same time they investigated the lynching of Albano, and the stenographer told me this morning that it would be just as cheap to have all of the testimony transcribed as it would be for him to take the time to go through his notes and pick out only that relating to the lynching of Albano. He said that a transcription of the testimony would cost at least $100. I am confident that the commissioners will gladly pay for it if you think you need it.

I have the honor to remain, very truly, yours,

H. S. PHILLIPS,
State Attorney, Sixth Circuit.

House of Representatives.
63d Congress: 1st session.
Report No. 45.

PAYMENT OF AN INDEMNITY TO THE ITALIAN GOVERNMENT FOR THE KILLING OF ANGELO ALBANO, AN ITALIAN SUBJECT.

August 15, 1913, committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. Sharp, from the Committee on Foreign Affairs, submitted the following

REPORT.

[To accompany H. R. 7384.]

The Committee on Foreign Affairs, to which was referred the bill (H. R. 7384) authorizing the payment of an indemnity to the Italian Government for the killing of Angelo Albano, an Italian subject, having had the same under consideration, reports it back without amendment and with the recommendation that the bill do pass.

This claim grows out of the killing of one Angelo Albano, an Italian subject, by an armed mob while in custody on a charge of crime, in the city of Tampa, Fla., on the 20th day of September, 1910. The facts in the case detailing the crime and establishing the fact that its victim was an Italian subject at the time of his death, are succinctly set forth in the copies of sworn statements contained in the message from the President (H. Doc. 105), transmitting the report of the Secretary of State in relation thereto. Not only does the President recommend that "as an act of grace and without reference to the question of the liability of the United States, Congress make suitable provision for the heirs of the Italian subject thus killed, the proceeds to be distributed by the Italian Government in

such manner as it may deem proper"; but Secretary of State Bryan in his report also recommends that Congress take such action in view of all the circumstances in the case, both on account of the precedents which he therein cites, and "for the preservation of the cordial relations now existing between the United States and Italy."

As to the amount of the indemnity involved the payment of $6,000 is recommended, not only because it seems to this committee to be reasonable, but because it has been requested by the Italian Embassy as one that would comport with "the sense of equity and justice" as a fair sum which our Government should pay.

In view of these facts and the further one that recently similar claims for a considerably larger amount have been generously settled in our favor by the Italian Government, it would seem after this long delay to impose upon Congress an obligation to promptly comply with the request of that Government for a speedy settlement of the claim.

63d Congress,
1st session.
H. R. 7384.

IN THE HOUSE OF REPRESENTATIVES.

August 12, 1913.

Mr. Sharp introduced the following bill; which was referred to the Committee on Foreign Affairs and ordered to be printed.

A BILL

To authorize the payment of an indemnity to the Italian Government for the killing of Angelo Albano, an Italian subject.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is hereby authorized to be paid, out of any money in the Treasury not otherwise appropriated, out of humane consideration and without reference to the question of liability therefor, to the Italian Government as full indemnity to the heirs of Angelo Albano, an Italian subject who was killed by an armed mob at Tampa, Florida, on the twentieth day of September, nineteen hundred and ten, the sum of $6,000.

File No. 311.651T15/36b.

The Secretary of State to the Italian Ambassador.

DEPARTMENT OF STATE,
Washington, November 14, 1913.

EXCELLENCY: I have the honor to inform you that the Congress of the United States, out of humane considerations and without reference to the question of the liability therefor, has by an Act this day approved appropriated the sum of $6,000 to be paid to the Italian Government as full indemnity to the heirs of Angelo Albano, the Italian subject who was killed by an armed mob at Tampa, Florida, on the 20th day of September, 1910.

It gives me pleasure to enclose herewith in payment of this account a warrant on the Treasurer of the United States payable to your order. Accompanying the warrant you will find a voucher which I will thank you to sign and return to me.

Accept [etc.] W. J. BRYAN.

File No. 311.651T15/36.

The Italian Ambassador to the Chief of the Bureau of Accounts, Department of State.

[Voucher.]

Received from William McNeir, Chief, Bureau of Accounts, and Disbursing Clerk, Department of State, through the Secretary of State of the United States, this fourteenth day of November, 1913, check No. 482417, dated November 14, 1913, on the Treasurer of the United States, at Washington, D. C., to the order of the Ambassador Extraordinary and Plenipotentiary of Italy to the United States, for the sum of SIX THOUSAND DOLLARS ($6,000), in full payment to the Italian Government, out of humane consideration and without reference to the question of liability therefor, as full indemnity to the heirs of ANGELO ALBANO, an Italian subject who was killed by an armed mob at Tampa, Florida, on the twentieth day of September, 1910; the payment being provided for by an Act of Congress (Private No. 1) approved November 14, 1913.

CUSANI.

$6,000.00 *Ambassador Extraordinary and Plenipotentiary of Italy to the United States.*

CERTIFIED CORRECT AND APPROVED:

W. J. BRYAN,
Secretary of State.

NOVEMBER 14, 1913.

File No. 311.651T15/37.

The Italian Ambassador to the Secretary of State.

[Translation.]

No. 1552.] ITALIAN EMBASSY,
Washington, November 18, 1913.

MR. SECRETARY OF STATE: I have the honor to acknowledge receipt of and to thank your excellency for your note of the 14th instant, with which you sent me the check for $6,000, the amount of the indemnity for the lynching of Angelo Albano at Tampa, Florida, on the 20th of September, 1910.

While warmly thanking your excellency for your official and cordial action, by which this painful occurrence has been satisfactorily settled, I have the honor to enclose herewith the original letter[1] from the United States Trust Company, stating that the said sum of $6,000, without any deduction, was immediately forwarded to the mother of said Angelo Albano, Mrs. Vincenza Albano, No. 1008 Conrad Street, Tampa, Florida.

Accept [etc.]

CUSANI.

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[1] Not printed.

JAPAN.

PROTEST OF JAPAN AGAINST THE LAND LAWS OF THE STATE OF CALIFORNIA.

NOTE.—The following—extracts from the treaty with Japan signed on February 21, 1911; correspondence with the Japanese Embassy in regard to the treaty, exchanged on the day the treaty was signed; and the complete text of the California statute approved May 19, 1913—all referred to in the correspondence, are here given for convenience of reference.

Articles I and XIV of the Treaty of Commerce and Navigation between the United States and Japan.[1]

ARTICLE I.

The citizens or subjects of each of the High Contracting Parties shall have liberty to enter, travel and reside in the territories of the other to carry on trade, wholesale and retail, to own or lease and occupy houses, manufactories, warehouses and shops, to employ agents of their choice, to lease land for residential and commercial purposes, and generally to do anything incident to or necessary for trade upon the same terms as native citizens or subjects, submitting themselves to the laws and regulations there established.

They shall not be compelled, under any pretext whatever, to pay any charges or taxes other or higher than those that are or may be paid by native citizens or subjects.

The citizens or subjects of each of the High Contracting Parties shall receive, in the territories of the other, the most constant protection and security for their persons and property, and shall enjoy in this respect the same rights and privileges as are or may be granted to native citizens or subjects, on their submitting themselves to the conditions imposed upon the native citizens or subjects.

They shall, however, be exempt in the territories of the other from compulsory military service either on land or sea, in the regular forces, or in the national guard, or in the militia; from all contributions imposed in lieu of personal service, and from all forced loans or military exactions or contributions.

ARTICLE XIV.

Except as otherwise expressly provided in this Treaty, the High Contracting Parties agree that, in all that concerns commerce and navigation, any privilege, favor or immunity which either Contracting Party has actually granted, or may hereafter grant, to the citizens or subjects of any other State shall be extended to the citizens or subjects of the other Contracting Party gratuitously, if the concession in favor of that other State shall have been gratuitous, and on the same or equivalent conditions if the concession shall have been conditional.

[1] For the complete text of the treaty, see For. Rel. 1911, pp. 315–319.

Notes pertaining to the above-cited treaty, exchanged on the day it was signed.

File No. 711.942/75.

The Japanese Ambassador to the Secretary of State.

JAPANESE EMBASSY,
Washington, February 21, 1911.

SIR: In proceeding this day to the signature of the Treaty of Commerce and Navigation between Japan and the United States, I have the honor under instructions of the Imperial Government to state that, pending the conclusion of an arrangement between the two Governments for the final disposition of existing leases in perpetuity under which property is now held by American citizens in the former Foreign Settlements in Japan, such leases shall be maintained and respected and all rights, privileges and immunities incident and relating to such property and existing at the time the Treaty signed this day enters into operation shall not be affected thereby, and in no case shall American citizens be placed in this respect in a less favorable position than subjects or citizens of any other country.

Accept [etc.]

Y. UCHIDA.

File No. 711.942/75.

The Secretary of State to the Japanese Ambassador.

DEPARTMENT OF STATE,
Washington, February 21, 1911.

EXCELLENCY: In acknowledging the receipt of your note of this date on the subject of the property which is now held under leases in perpetuity by American citizens in the former foreign settlements in Japan, I have the honor to make all necessary reservations as to the nature and extent of the rights relating to such property.

Accept [etc.]

P. C. KNOX.

File No. 711.942/76.

The Japanese Ambassador to the Secretary of State.

JAPANESE EMBASSY,
Washington, February 21, 1911.

SIR: In reply to your inquiry about landownership in Japan and Korea I have the honor under instructions of the Imperial Government to state that landownership in Japan will be regulated by the law of the country, and foreigners and foreign corporations who comply with the terms of the provisions of the law will acquire the right of ownership of land. In return for the rights of landownership which are granted Japanese by laws of the various States of the United States the Imperial Government will by liberal interpretation of the law be prepared to grant landownership to American citizens

from all the States, reserving for the future, however, the right of maintaining the condition of reciprocity with respect to the separate States.

The rights in real property acquired by Americans in Korea will be respected. As to the recognition of the title deeds registered in the American Consulate General at Seoul, the Imperial Government are now considering the question with the American Embassy at Tokyo and believe that it will be solved satisfactorily to both parties. In case of the extension of the law of landownership to Korea it will be applied to all foreigners in general including American citizens upon their fulfillment of the provisions of the law on the subject.

Accept [etc.] Y. UCHIDA.

File No. 711.942/76.

The Secretary of State to the Japanese Ambassador.

DEPARTMENT OF STATE,
Washington, February 21, 1911.

EXCELLENCY: I have the honor to acknowledge the receipt of your excellency's note of this date on the subject of landownership in Japan and Korea.

Accept [etc.] P. C. KNOX.

Statutes of California; chapter 113.

An act relating to the rights, powers and disabilities of aliens and of certain companies, associations and corporations with respect to property in this state, providing for escheats in certain cases, prescribing the procedure therein, and repealing all acts or parts of acts inconsistent or in conflict herewith.

[Approved May 19, 1913.]

The people of the State of California do enact as follows:

SECTION 1. All aliens eligible to citizenship under the laws of the United States may acquire, possess, enjoy, transmit and inherit real property, or any interest therein, in this state, in the same manner and to the same extent as citizens of the United States, except as otherwise provided by the laws of this state.

SEC. 2. All aliens other than those mentioned in section one of this act may acquire, possess, enjoy and transfer real property, or any interest therein, in this state, in the manner and to the extent and for the purposes prescribed by any treaty now existing between the Government of the United States and the nation or country of which such alien is a citizen or subject, and not otherwise, and may in addition thereto lease lands in this state for agricultural purposes for a term not exceeding three years.

SEC. 3. Any company, association or corporation organized under the laws of this or any other state or nation, of which a majority of the members are aliens other than those specified in section one of this act, or in which a majority of the issued capital stock is owned

by such aliens, may acquire, possess, enjoy and convey real property, or any interest therein, in this state, in the manner and to the extent and for the purposes prescribed by any treaty now existing between the Government of the United States and the nation or country of which such members or stockholders are citizens or subjects, and not otherwise, and may in addition thereto lease lands in this state for agricultural purposes for a term not exceeding three years.

SEC. 4. Whenever it appears to the court in any probate proceeding that by reason of the provisions of this act any heir or devisee can not take real property in this state which, but for said provisions, said heir or devisee would take as such, the court, instead of ordering a distribution of such real property to such heir or devisee, shall order a sale of said real property to be made in the manner provided by law for probate sales of real property, and the proceeds of such sale shall be distributed to such heir or devisee in lieu of such real property.

SEC. 5. Any real property hereafter acquired in fee in violation of the provisions of this act by any alien mentioned in section two of this act, or by any company, association or corporation mentioned in section three of this act, shall escheat to, and become and remain the property of the State of California. The attorney general shall institute proceedings to have the escheat of such real property adjudged and enforced in the manner provided by section 474 of the Political Code and title eight, part three of the Code of Civil Procedure. Upon the entry of final judgment in such proceedings, the title to such real property shall pass to the State of California. The provisions of this section and of sections two and three of this act shall not apply to any real property hereafter acquired in the enforcement or in satisfaction of any lien now existing upon, or interest in such property, so long as such real property so acquired shall remain the property of the alien, company, association or corporation acquiring the same in such manner.

SEC. 6. Any leasehold or other interest in real property less than the fee, hereafter acquired in violation of the provisions of this act by any alien mentioned in section two of this act, or by any company, association or corporation mentioned in section three of this act, shall escheat to the State of California. The attorney general shall institute proceedings to have such escheat adjudged and enforced as provided in section five of this act. In such proceedings the court shall determine and adjudge the value of such leasehold, or other interest in such real property, and enter judgment for the state for the amount thereof together with costs. Thereupon the court shall order a sale of the real property covered by such leasehold, or other interest in the manner provided by section 1271 of the Code of Civil Procedure. Out of the proceeds arising from such sale, the amount of the judgment rendered for the state shall be paid into the state treasury and the balance shall be deposited with and distributed by the court in accordance with the interest of the parties therein.

SEC. 7. Nothing in this act shall be construed as a limitation upon the power of the state to enact laws with respect to the acquisition, holding or disposal by aliens of real property in this state.

SEC. 8. All acts and parts of acts inconsistent, or in conflict with the provisions of this act, are hereby repealed.

File No. 811.52/164.

The Japanese Ambassador to the Secretary of State.

IMPERIAL JAPANESE EMBASSY,
Washington, May 9, 1913.

SIR: I have the honor to acquaint you that my Government have learned, with painful disappointment, of the measure recently passed by the Legislature of the State of California on the subject of alien land tenure, and that they feel constrained to offer to the American Government their urgent and explicit protest, which, in pursuance of their instructions, I now respectfully beg to lodge with you against the new legislation.

In the opinion of the Imperial Government the act in question is essentially unfair and discriminatory, and it is impossible to ignore the fact that it was primarily directed against my countrymen. Accordingly, this protest is based upon the proposition that the measure is unjust and inequitable, and that it is not only prejudicial to the existing rights of Japanese subjects, but is inconsistent with the provisions of the treaty actually in force between Japan and the United States, and is also opposed to the spirit and fundamental principles of amity and good understanding upon which the conventional relations of the two countries depend.

It seems to the Imperial Government that the enactment in effect deprives my countrymen of the right to transmit to their legal heirs their already lawfully acquired landed property. Full right of such transmission was a right running with such property, when so acquired, and consequently the annulment of that right at this time is clearly in conflict with the third clause of Article I of the treaty, which guarantees to Japanese subjects, in reciprocity, the most constant protection for their property. Moreover, in its relation to house property, the legislation appears to be, in a much wider sense, repugnant to the provisions of the first clause of the same article, by which Japanese subjects are granted, in reciprocity, and upon the same terms as American citizens, the right to own houses, manufactories, warehouses, and shops. All exceptional limitations and restrictions upon or in respect of that right, either in the matter of its transmissibility or otherwise, are thus believed to be irreconcilable with the first and third clauses of Article I of the treaty.

Again, in regard to the right of my countrymen to lease land for residential and commercial purposes, all limitations and restrictions upon the right contained in the act, which are not equally applicable to American leaseholders, are, it seems, also contrary to the treaty provisions above referred to.

I beg further to point out that the provisions of the enactment relating to companies, associations, and corporations appear to be no less objectionable. Thus, in case an association, in proceeding to dissolution, decides to distribute among its members any real property now owned by it, all Japanese members would, in discrimination, be excluded from such distribution in abridgment of their vested rights. Other instances of grave injustice in disregard of already existing rights of my countrymen may readily be imagined, more especially in case of an institution whose stock is purchasable in the open

market. For instance, lawful interests of Japanese subjects in such an institution might become liable to escheat without any unlawful act on their part, since the innocent purchase of its stock by aliens of other nationalities laboring under the same disabilities as the Japanese might lead to that result. But, practically speaking, the enforcement of the measure in question would have the effect of depriving my countrymen of the right to own any stock in any company, association, or corporation liable to become possessed in California of any real property or any interest therein, for no business man of ordinary business acumen and prudence would take the hazard of confiscation. Nevertheless, such hazard would exist in view of that act, notwithstanding the parity engagement on the subject of trade contained in Article I and the most-favored-nation stipulation in all that concerns commerce appearing in Article XIV of the treaty.

Further, the act [Section 2] provides in effect that aliens ineligible to citizenship may acquire, possess, enjoy or transfer real property or any interest therein, only in the manner, and to the extent, and for the purposes prescribed by any treaty now existing between the United States and the country of which such aliens are subjects or citizens. Apart from the question as to whether the term "any treaty now existing" is intended to cover any treaty which may hereafter be concluded in supplement to, or in supersession of, the existing compact, it frequently happens that two friendly nations cease to have any commercial treaty in force between them, without impairing in the least their mutual relations of amity and good will. Should such contingency present itself in the intercourse of Japan and the United States, Japanese subjects will apparently be denied all rights relating to real property in California, now guaranteed by the treaty, whereas aliens eligible to citizenship are placed on the national footing, in the matter of such property rights, independently of treaty engagements. Accordingly, the security of the rights acquired lawfully and in good faith by the Japanese would, under the new enactment, be in constant and serious danger, from which aliens eligible to citizenship are safely guarded. Those just rewards of long and honest toil, upon which so many Japanese families depend for their livelihood, might be deprived of all protection under the act, by causes for which they are in no way responsible.

It may be contended by the framers and supporters of the bill, that in the event of any concrete cases arising, in which the Japanese find that their rightful claims are disregarded, it will be open for the aggrieved parties to resort to ordinary process of law for remedy. Considering, however, that such process necessarily involves much delay of time and great hardships for the parties in interest, and that those disadvantages will be wholly unknown in respect to aliens whose eligibility to citizenship has never been called in question, it will be readily conceded that the enactment will operate in effect as a discrimination against my countrymen whose right to become American citizens has not yet been definitely established.

The Imperial Government, while reserving for future consideration other objectionable features of the enactment in question, desire to have it made entirely clear that they attach the utmost importance to the discriminatory phase of the legislation in those affairs of ordinary international commercial concern, in which nations usually ac-

cord to peaceful and friendly aliens equal treatment either as a matter of comity or by application of the principle of the most favored nation clause.

The sympathetic and accommodating disposition with which the American administration has invariably extended its helping hands to the Imperial Government, in the cause of humanity and international good understanding, encourages them in the hope that the present difficulties will be set at rest in a manner worthy of the historic relations of cordial friendship between the two neighboring nations.

Accept [etc.]

S. CHINDA.

File No. 811.52/164.

The Secretary of State to the Japanese Ambassador.

DEPARTMENT OF STATE,
Washington, May 19, 1913.

EXCELLENCY: I have the honor to acknowledge the receipt of your note of May 9th, laying before my Government the representations of the Imperial Government of Japan with regard to the law just adopted by the State of California concerning the holding of agricultural lands by aliens.

The Government of the United States regrets most sincerely that the Imperial Government of Japan should regard this legislation as an indication of unfriendliness toward their people. Being apprised while that measure was still under consideration by the Legislature of California that that might be the feeling of the Imperial Government, the President and I very earnestly attempted to induce the legislative authorities of California to reconsider or to modify their plans in the matter, urging that the State should not act as a separate unit in this case but, rather, in cooperation with the Federal Government. Under the constitutional arrangement of the United States we could do no more than that.

At the same time, we feel that the Imperial Government has been misled in its interpretation of the spirit and object of the legislation in question. It is not political. It is not part of any general national policy which would indicate unfriendliness or any purpose inconsistent with the best and most cordial understanding between the two nations. It is wholly economic. It is based upon the particular economic conditions existing in California as interpreted by her own people, who wish to avoid certain conditions of competition in their agricultural activities.

I have not failed to observe that your note calls attention to certain provisions of the California law which you conceive to be inconsistent with and to violate existing treaty stipulations between the two countries, and thus to threaten to impair vested rights of property. The law, however, in terms purports to respect and preserve all rights under existing treaties. Such is its declared intent. But in case it should be alleged that the law had in its operation failed to accomplish that intent, your Government is no doubt advised that by the Constitution of the United States the stipulations of treaties made in pursuance thereof are the supreme law of the land, and that they

are expressly declared to be binding upon State and Federal courts alike to the end that they may be judicially enforced in all cases. For this purpose the courts, Federal and State, are open to all persons who may feel themselves to have been deprived of treaty rights and guarantees; and in this respect the alien enjoys under our laws a privilege which to one of our own citizens may not be in all cases available, namely, the privilege of suing in the Federal courts. In precisely the same way, our citizens resort and are obliged to resort to the courts for the enforcement of their constitutional and legal rights. Article XIV of the treaty, to which your excellency refers, appears to relate solely to the rights of commerce and navigation. These the California statute does not appear to be designed in any way to affect. The authors of the law seem to have been careful to guard against any invasion of contractual rights.

Your excellency raises, very naturally and properly, the question how the case would stand should explicit treaties between the two countries expire or cease to be in force while, nevertheless, relations of entire amity and good will still continue to exist between them. I can only reply that in such circumstances the Government of the United States would always deem it its pleasure, as well as a manifest dictate of its cordial friendship for Japan and the Japanese people, to safeguard the rights of trade and intercourse between the two peoples now secured by treaty. I need not assure your excellency that this Government will cooperate with the Imperial Government in every possible way to maintain with the utmost cordiality the understandings which bind the two nations together in honor and in interest. Its obligations of friendship would not be lessened or performed in niggardly fashion in any circumstances. It values too highly the regard of Japan and her cooperation in the great peaceful tasks of the modern world to jeopard them in any way; and I feel that I can assure your excellency that there is no reason to feel that its policy in such matters would be embarrassed or interfered with by the legislation of any State of the Union. The economic policy of a single State with regard to a single kind of property can not turn aside these strong and abiding currents of generous and profitable intercourse and good feeling.

In conclusion let me thank your excellency for the candor with which you have dealt with this Government in this matter and express the hope that this episode in the intercourse of the two great countries which we represent will only quicken our understanding of one another and our confidence in the desire of each to do justice to the other.

Accept [etc.]

W. J. BRYAN.

File No. 811.52/165.

The Japanese Ambassador to the Secretary of State.

IMPERIAL JAPANESE EMBASSY,
Washington, June 4, 1913.

SIR: I did not fail to transmit to my Government at once by cable a copy of the note which you did me the honor of addressing to me

under date of the 19th instant [ultimo], in reply to mine of the 9th, idem, with regard to the law recently enacted by the State of California on the alien land tenure.

That reply did not, I regret to say, have the effect of lessening the sense of disappointment and grave concern experienced by the Imperial Government in consequence of the legislation to which it had reference. Having in view the attitude and action of deep sympathy expressed and taken by the American administration in the matter, while the measure was still pending in the legislature of California, the Cabinet at Tokio had good reason, it was thought, to expect some intimation of willingness, on the part of the American Government, to cooperate with the Government of Japan in the endeavor to find satisfactory solution of the problem, instead of the suggestion that the courts of the United States were open to those of my countrymen who might feel themselves to have been deprived of treaty rights and guarantees.

The persons prejudicially affected by the enactment complained of are expressly limited to those aliens who are not eligible to citizenship. Considering that Japanese subjects are, as a nation, apparently denied the right to acquire American nationality, that they are the principal sufferers from that enactment, and that the avowed purpose of the law was to deprive my countrymen of the right to acquire and to possess landed property in California, the Imperial Government are unable to escape the conclusion that the measure is unfair and intentionally racially discriminatory, and, looking at the terms of the treaty between our two countries, they are equally well convinced that the act in question is contrary to the letter and spirit of that compact and they moreover believe that the enactment is at variance with the accepted principles of just and equal treatment upon which good relations between friendly nations must, in the final analysis, so largely depend.

Nor can my Government find in the new law, as you have done, any declaration of the intention to respect and preserve all rights under existing treaties. It is quite true that section 2 of the act provides in effect that aliens not eligible to citizenship may acquire, possess, enjoy, and transfer real property, or any interest therein, to the extent and for the purpose prescribed by any treaty now existing between the United States and the country of which such alien is a citizen or subject, and not otherwise. But, in the opinion of the Imperial Government, that provision can not be reconciled with the treaty stipulations to which they appealed in my former note, and to which they again appeal in this communication. Japanese people own real property, and other interests therein, in California under the existing treaty, as well as in accordance with law. Such property, having been duly acquired, is unquestionably entitled, in virtue of the treaty, to the same "most constant protection and security" as similar property belonging to citizens of the United States. Efforts were no doubt made to bring the measure into accord with the existing treaty stipulations, so far as that could be done consistently with the real purpose of the enactment. But having regard to the pronouncement contained in section 7 of the act, it may be doubted whether the legislature of California considered it absolutely essential to respect the treaty engagements bearing on the subject of alien land ownership,

in so far as those engagements could not be reconciled with the wishes of the State in the matter.

In these circumstances, it becomes my duty, under instructions from my Government, to announce to you that the Imperial Government are compelled, much to their regret, to maintain, in its integrity, the protest contained in my previous note on this subject.

I beg to point out, in this connection, that my Government can not regard as responsive to the actual situation the suggestion contained in your note to the effect that the Japanese people are at liberty to appeal to the courts of the United States for the enforcement of their constitutional and legal rights. My countrymen who may suffer wrong in consequence of the enactment will no doubt look to those tribunals for relief. But I venture to make it entirely clear to your appreciation that the Imperial Government are firmly convinced that the phase of the controversy now under discussion is itself appropriately amenable to ordinary diplomatic processes. The question at issue is a question between the Government of Japan and that of the United States, as to the true intent and meaning of their existing treaty, and the extent to which the rules and principles of fair and equal treatment may, in comity and good conscience, be invoked in the present case. The wrong complained of is directed against my countrymen as a nation. It was committed by the authorities of a single State of the Union, contrary to the expressed wishes and advice of the Federal Government. It is, nevertheless, to that Government alone, that Japan must look to have the wrong undone, since it is with that Government alone that the Imperial Government hold diplomatic intercourse.

The number of my countrymen actually affected by the discriminatory legislation complained of is small, and the quantity of landed property in California actually held by them, both as owners and leaseholders, is very inconsiderable. On the other hand, it is a recognized fact that, as a result of a careful and conscientious enforcement of the existing understanding on the subject of labor emigration from Japan to America, the Japanese population in the United States has, since that understanding took effect, shown an annual decrease. Accordingly, if the object of the legislation in question was wholly economic, then the conclusion is natural, it seems to the Imperial Government, that the apprehensions upon which the enactment was based were unjustifiable and without sanction of good reason, and I trust I may be permitted in the present context to add the suggestion that the law under discussion does not concern itself exclusively with agricultural lands. But even if the basis of the act had been wholly economic that fact could not, in the opinion of my Government, be advanced as a valid and sufficient reason for annulling or abridging vested rights of property of my countrymen, and I beg to assure you that the Imperial Government have too high an opinion of the sense of right and justice of the American Government to believe for a moment that that Government will permit a State to set aside the stipulations of the treaty or to impair the obligations of reciprocal friendly intercourse and good neighborhood.

In conclusion I beg, in pursuance of instructions from my Government, to invite your attention to the phase of the present question to which, in the situation as it existed at the time my former note was

addressed to you, it was not deemed either necessary or advisable to advert. I refer to the matter of Japanese naturalization in America in its relation to the question of Japanese land ownership. The provisions of law, under which it is held that Japanese people are not eligible to American citizenship, are mortifying to the Government and people of Japan, since the racial distinction inferable from those provisions is hurtful to their just national susceptibility. The question of naturalization, however, is a political problem of national and not international concern. So long, therefore, as the distinction referred to was employed in relation to rights of purely political nature the Imperial Government had no occasion to approach the Government of the United States on the subject. But when that distinction is made use of, as in the present case, for the purpose of depriving Japanese subjects of rights and privileges of a civil nature, which are freely granted in the United States to other aliens, it becomes the duty of the Imperial Government, in the interest of the relations of cordial friendship and good understanding between the two countries, to express frankly their conviction that the racial distinction, which at best is inaccurate and misleading, does not afford a valid basis for the discrimination on the subject of land tenure.

Accept [etc.]

S. CHINDA.

File No. 811.52/181.

Aide-mémoire in explanation and support of Viscount Chinda's notes of May 9 and June 4, 1913.

IMPERIAL JAPANESE EMBASSY,
WASHINGTON.

I.

The existing Japanese-American treaty accords to Japanese subjects, in reciprocity, liberty in the United States to own and lease houses upon the same terms as citizens of the United States, and to lease land for residential and commercial purposes also upon the same terms as such citizens.

The words "to own" are words of the widest significance, and, in the context in which they appear in said treaty, include, it is maintained, the right to acquire real property in question by all ordinary lawful means, viz., by purchase, by devise, and by descent, and those words also, it is contended, cover the right to dispose of such real property, when duly acquired, by all various methods known to the law, viz., by sale, by gift, by bequest, and by transmission. In other words, ownership carries with it, as a necessary incident, full right of alienation. But all doubts on the subject will be removed, when it is considered, firstly, that the words "liberty to own" appearing in the treaty are supplemented by a parity engagement, to the effect, "upon the same terms as American citizens," and, secondly, that the liberty so enjoyed by such citizens being full and complete, the corresponding liberty accorded to Japanese subjects is equally without limitation or qualification.

So too, liberty to Japanese subjects to lease land for residential and commercial purposes, upon the same terms as American citizens, nat-

urally carries with it the same freedom in the matter of acquiring and disposing of the leased property.

Again, under the laws actually in operation in California (the new alien land enactment does not take effect until August 10), Japanese subjects have full right to take, hold and dispose of all real property and interest therein. That right carries with it the capacity to bequeath and transmit such property.

The treaty now in force also guarantees to Japanese subjects, in reciprocity, the same most constant protection and security for their property in the United States that is there enjoyed by American citizens in respect of property belonging to them.

The treaty of 1894,[1] which was superseded in 1911 by the present one, provided in Article I that, in whatever relates to the succession to personal estate by will or otherwise, and the disposal of property of any sort and in any manner whatsoever, which they may lawfully acquire, the subjects or citizens of each contracting party shall enjoy in the territories of the other the same privileges, liberties, and rights as native subjects or citizens, or subjects or citizens of the most favored nation.

Confidently relying upon the foregoing treaty and statutory provisions, Japanese subjects have become owners and lessees of land and houses in California, and the real property so acquired has, for all purposes, become fully vested in such owners. It was in the presence of this state of things that the new alien land law was enacted. It, in effect, deprives all Japanese subjects of the capacity to bequeath and transmit their duly acquired real property or interest therein, and it also denies to such subjects the capacity to acquire any real property or interest therein by devise or by descent. The measure also contains no less objectionable features concerning companies, associations, and corporations, but as this aide-mémoire is designed to deal exclusively with the provisions of the law which trench upon individual rights the clauses relating to legal persons are, for the present, reserved.

It is the firm conviction of the Imperial Government that the provisions of the statute in question, which are intended either to abridge treaty rights of Japanese subjects in the matter of acquisition and disposition of real property and interest therein, or to unsettle real estate titles already duly vested under the laws of California, are contrary to the express stipulations of the treaty now in force between Japan and the United States in the following respects:

(*a*) That so far as the act takes away from Japanese subjects the capacity, hitherto freely enjoyed by them, to acquire, by devise and descent, houses for all purposes, and leasehold of land for residential and commercial purposes, it is in conflict with the first clause of Article I of said treaty, since that clause accords to Japanese subjects liberty to own houses and to lease lands upon the same terms as American citizens, and it will not be contended that the liberty of such citizens in that respect has been annulled or abridged;

(*b*) That, so far as the act deprives Japanese subjects of the capacity to bequeath and transmit to their devisees and heirs real property and interest therein, duly acquired by them under said

[1] For the text of this treaty, see Malloy's Treaties, vol. i, p. 1028; or Compilation of Treaties in Force, p. 474.

treaty, it is inconsistent with the first and third clauses of Article I, since, in addition to the guarantee of equal treatment which is contained in the first clause above mentioned, property of Japanese subjects is, by the third clause aforesaid, assured of the same most constant protection, the same equal protection of equal laws, that is accorded to the property of American citizens, and it goes without saying that property rights of such citizens still remain complete and undisturbed; and

(*c*) That, so far as the act takes away from Japanese subjects the capacity of bequeathing and transmitting real property and interest therein, already duly acquired by them under the laws of California, it is repugnant to the above-mentioned third clause of Article I of the treaty, since it impairs obligations of the contracts under which such property was acquired and is held, and thus deprives Japanese subjects of that equal protection for their property which the treaty extends to them.

The Imperial Government are also of the opinion that the act in question, so far as it takes away from Japanese subjects the right to dispose, in any manner whatsoever, of the real property or interest therein, lawfully acquired by them prior to July 17, 1911, is an impairment of vested rights created under the treaty of 1894.

The foregoing propositions are made with the greater confidence since it is found that the principles upon which they rest are fully sustained by the line of decisions of the Supreme Court of the United States, which have contributed to the just renown of that high tribunal.

The decisions to which, in the present relations, the Imperial Government especially refer are found in the following cases:

Fairfax's devisee *v.* Hunter's lessee.
Chirac *v.* Chirac.
Orr *v.* Hodgson.
Society for the Propagation of the Gospel *v.* Town of New Haven.
Geoffroy *v.* Riggs.
The Chinese Exclusion case.

In Chirac *v.* Chirac, Society for the Propagation of the Gospel *v.* Town of New Haven, and the Chinese Exclusion case, as well as in Watson *v.* Donnelly (New York Supreme Court, 1859), the principle was clearly announced that duly vested rights, acquired under a treaty, still continue, although the treaty itself is abrogated.

II.

The Imperial Government are equally convinced that the provisions of the land legislation in question are irreconcilable with the spirit and intent of the Japanese-American treaty, as well as inequitable and at variance with the generally accepted principles which regulate commercial intercourse between friendly states, because such provisions discriminate against Japanese subjects, not only as compared with American citizens, but as compared with subjects of other countries, in a matter in which, internationally speaking, aliens are usually placed on national or most favored nation footing.

While, in the relations between states, the principle of equal treatment is sometimes made amenable to exceptions and qualifications, this is the first instance, it is believed, in which a power, having in force a reciprocal commercial treaty with a clause guaranteeing most favored nation treatment "in all that concerns commerce and navigation," has ever been placed by the other contracting state at a disadvantage as compared with non-treaty countries in matters which, in the treaty, are made the subject of reciprocal concession.

International discriminations are in any case obnoxious, and, if carried beyond limits of actual and recognized necessity, are harmful to international good relations, independently of the question whether they are repugnant to treaty stipulations or not. In the definition of those permissible limits, and in the establishment of the principle of equal opportunity, no country has taken a firmer stand or exercised a more powerful influence than the United States. Thus in 1879, the Secretary of State at Washington, in an instruction addressed to the American Minister in Mexico, announced that "a Mexican statute discriminating against citizens of the United States and other aliens in respect to the capacity to hold real estate in Mexico is in conflict with the treaty of 1831." (Dr. Moore's International Law Digest, Volume VI, page 702.) The treaty, so appealed to, contains no express provisions on the subject of ownership of real estate. It reciprocally accords most favored nation treatment in respect of commerce and navigation, and grants the right of residence, of hiring houses and warehouses for purposes of commerce, and of succession to personal estate, and it also extends protection to persons and property. Accordingly, it must be assumed that the discrimination complained of was in disregard of the spirit and purposes, rather than express words, of the treaty.

But unjust discriminations based upon race are still more objectionable. Russia's severe treatment of Jews has been deeply resented by the United States, and on December 13, 1911, the House of Representatives, by an unusual vote of 301 to 1, passed a resolution in strong condemnation of the action of Russia. The resolution declared:

> That the people of the United States assert as a fundamental principle that the rights of its citizens shall not be impaired at home or abroad, because of race or religion; that the Government of the United States concludes its treaties for the equal protection of all classes of its citizens without regard to race or religion; that the Government of the United States will not be a party to any treaty which discriminates, or which, by one of the parties thereto is so construed as to discriminate, between American citizens on the ground of race or religion; that the Government of Russia has violated the treaty between the United States and Russia concluded at St. Petersburg December 18, 1832, refusing to honor American passports duly issued to American citizens on account of race and religion.

And for these reasons, the resolution called upon the President to denounce said treaty three days after the adoption of the above resolution.[1] The United States notified Russia of the termination of the treaty, saying that it had been recognized that the treaty was "no longer fully responsive, in various respects, to the needs of political and material relations of the two countries." The action of Russia it seems was not directed against American Jews exclusively.

[1] For. Rel. 1911, p. 695.

It applied equally to all alien Israelites, and, although resting largely upon race and religion, the discrimination complained of was inspired, in part at least, so Russia declared, by economic considerations. If in the presence of this state of things, the United States Government found sufficient reason to object to Russia's action, then the Imperial Government have much stronger grounds for protesting against the invidious discrimination of the new California enactment, since those discriminations are not only irreconcilable with express treaty stipulations, but, being national and racial, are in clear disregard of national susceptibilities.

III.

In a number of States, the right of aliens to hold real estate has been made to depend upon actual filing of declarations of intention to become citizens. That requirement, as a condition precedent to the exercise of the right in question, can not be said to be unreasonable or illogical. A relation is thereby established between said right and eventual citizenship, because the continued existence of the right depends upon actual completion of the process of naturalization.

California is the only State, it is believed, in which the right of aliens to hold real property has been made to rest solely upon eligibility to citizenship. Such eligibility, in the context in which it is used, has no relation to the question of citizenship, since no action looking to ultimate naturalization is required. The formula appearing in the new California enactment was employed as a convenient paraphrase to express firm intention to discriminate against Japanese subjects as compared with aliens belonging to white and African races in the matter of ownership of land and houses.

Clear and important distinction may, therefore, be said to exist between the laws of such other States and of California, on the subject of alien land tenure in this: By the laws of such other States, actual steps looking to ultimate naturalization have to be taken before the right of real estate ownership can be exercised; whereas, by the law of California, the capacity to take such steps is alone sufficient. The discrimination complained of is no less invidious and disregardful of the treaty rights of Japan, because of indirect language in which it is expressed.

IV.

It has been suggested that the power to deal with the question of alien real estate ownership in the United States belongs exclusively to the several States. Controlling decisions of the courts of the United States might be cited in refutation of that suggestion. But it is sufficient to point out that the United States accepted the first and third clauses of Article I of the existing Japanese-American treaty, as well as Article I of the treaty of 1894, and that she can not have given her consent to those stipulations if the power to regulate the question of ownership of real property by aliens was reserved exclusively to the States.

V.

The Imperial Government, in concluding their present study of the question of the recently enacted alien land law of California, desire

to invite attention to the note from the Secretary of State to the American Minister in Brazil, dated March 5, 1875, on the subject of appropriate procedure in a case analogous to the present one. The language used in that note is so apposite, and supports in such a striking manner the position taken by Viscount Chinda in his communication of June 4, that indulgence is craved for quoting here the words of Mr. Fish:

> The reference of the claimant to the authorities of the Province for redress will not be acquiesced in. Those authorities can not be officially known to this Government. It is the Imperial Government at Rio de Janeiro only which is accountable to this Government for any injury to the person or property of a citizen of the United States committed by the authorities of a Province. The same rule would be applicable to the case of a Brazilian subject who, in this country might be wronged by the authorities of a State. (Dr. Moore's International Law Digest, Vol. VI, p. 816.)

So far as the California enactment injuriously affects individual rights of Japanese subjects, the aggrieved parties will, no doubt, appeal to the courts for redress. The question now under discussion between Japan and the United States involves interpretation of treaties, and, in the final solution of that question, the two Powers have an equal voice and interest. Consequently the only appropriate recourse at this time is diplomatic. In analogous cases, however, the United States has instituted legal proceedings in defence of existing treaties. The cases in point, to which references are made, are the California School and the Horcon Ranch cases. In both instances, suits were brought by the United States in the Circuit Courts of the United States.

JAPANESE EMBASSY,
July 3, 1913.

File No. 811.52/181.

[Accompaniment.]

Telegram received by the Japanese Embassy on June 30, from the Minister for Foreign Affairs.

The larger part of the land actually owned by the Japanese in California was acquired before July 17, 1911, on which date the existing treaty came into force. Consequently such land was lawfully acquired while the treaty of 1894 was in operation. The third paragraph of Article I of the treaty expressly guarantees to Japanese subjects, in reciprocity, the national and most favored nation treatment in the United States in all that relates to "the disposal of property of any sort and in any manner whatsoever, which they may lawfully acquire." The guarantee still holds good in spite of subsequent abrogation of the treaty. The latter point was clearly announced by the United States Supreme Court in Chirac *v.* Chirac in following terms:

> It will be admitted that a right once vested does not require for its preservation the continued existence of the power by which it was acquired. If a treaty or any other law has performed its office by giving a right, the expiration of the treaty or law can not extinguish that right.

These views have been repeatedly and consistently upheld by the same court in a number of similar cases. They will be embodied in the aide-mémoire, which you will shortly be authorized to present to the Secretary of State. You will draw his attention to this important point which seems to be fully convincing in support of our claim.

File No. 811.52/165.

The Secretary of State to the Japanese Ambassador.

DEPARTMENT OF STATE,
Washington, July 16, 1913.

EXCELLENCY: I have had the honor to receive and carefully to consider the note which your excellency was so good as to address to me under date of the 4th instant [ultimo] on the subject of the recent act of the Legislature of California relating to the tenure of lands by aliens in that State.

I am pained to learn that the Imperial Government, after reading the contents of my note of the 19th of May, in reply to their protest, continue to be of opinion that the act in question is not only unfair but "intentionally racially discriminatory"; that it is "contrary to the letter and spirit" of the treaty between the two countries; and that it is at variance with "the accepted principles of just and equal treatment upon which good relations between friendly nations must, in the final analysis, so largely depend".

In my note of the 19th of May I did not omit to point out that the California statute, far from being indicative of any national discriminatory policy, was not even to be regarded as an expression of political or racial antagonism, but was rather to be considered as the emanation of economic conditions, which were in this instance of a local character. I can not help feeling that in the representations submitted by your excellency the supposition of racial discrimination occupies a position of prominence which it does not deserve and which is not justified by the facts. I am quite prepared to admit that all differences between human beings—differences in appearance, differences in manner, differences in speech, differences in opinion, differences in nationality, and differences in race—may provoke a certain antagonism; but none of these differences is likely to produce serious results unless it becomes associated with an interest of a contentious nature, such as that of the struggle for existence. In this economic contest the division no doubt may often take place on racial lines, but it does so not because of racial antagonism but because of the circumstance that the traditions and habits of different races have developed or diminished competitive efficiency. The contest is economic; the racial difference is a mere mark or incident of the economic struggle.

All nations recognize this fact, and it is for this reason that each nation is permitted to determine who shall and who shall not be permitted to settle in its dominions and become a part of the body politic, to the end that it may preserve internal peace and avoid the contentions which are so likely to disturb the harmony of international relations.

That the Imperial Government of Japan accept and act upon these principles precise proof is not wanting.

By the Imperial Ordinance No. 352 of 1899, which is understood to be still in force, it is provided:

ARTICLE 1. Foreigners, even those who either by virtue of treaty or custom have not freedom of residence, may hereafter reside, remove, carry on trade and do other acts outside the former settlements and mixed residence districts. Provided that in the case of laborers they cannot reside or carry on their business outside the former settlements or mixed residential districts unless under the special permission of the administrative authorities.

The classes of such laborers (referred to in the preceding paragraph) and details for the operation of this Ordinance shall be determined by the Minister for Home Affairs.

The Department is advised that this ordinance was promulgated in order to prevent the immigration of Chinese laborers, who were attracted to Japan by the rise of wages which began in that country after the war with China and has continued ever since. As a result of this rise in wages conditions grew up not unlike those which have existed at certain places in the United States, the objection made in Japan to Chinese laborers being that they worked for lower wages than the natives. In the summer of 1907, as the Department is advised, two groups of Chinese laborers were excluded from Japan under the application of the ordinance above mentioned, one of the excluded groups being composed of coolies, the other of skilled artisans such as mechanics. The Department is not advised that the ordinance has been or is enforced as against laborers other than Chinese. The Department is, however, far from imputing to the Imperial Government in its enforcement of the ordinance a design to make a racial discrimination. On the contrary, the Department assumes that the question with which the Imperial Government were seeking to deal was in its essence economic, and racial only incidentally, and that this would continue to be the case even if the ordinance, although it was no doubt originally designed to exclude Chinese laborers, should be applied to laborers of another race.

In certain statements in your excellency's note, to which I have heretofore adverted, I am obliged to think that due weight has not been given to the provisions of the treaties between the two countries. Your excellency is so good as to say that, "looking at the terms of the treaty between our two countries," the Imperial Government are convinced that the California statute "is contrary to the letter and spirit of that compact," and that they also believe that the statute is at "variance with the accepted principles of just and equal treatment."

In these passages two questions apparently distinct and possibly inconsistent are introduced together; for, while it is readily conceivable that a question of treaty right and a question of fair and equal treatment may co-exist, yet, if the matter under consideration has by the contracting parties been made the subject of an express adjustment and agreement, it is hardly open to either party thereafter to say that the reciprocal measure of treatment which they have voluntarily concurred in establishing is not just and equal.

The treaty to which your excellency's note refers is that which was signed at Washington on February 21, 1911, by Mr. Knox, Secretary of State, representing the United States, and by Baron

Uchida, your immediate predecessor, representing the Imperial Government.

This treaty was based upon a draft presented by the Imperial Government. In Article I of this draft there is found the following clause:

> 3. They [the citizens or subjects of the contracting parties] shall be permitted to own or hire and occupy the houses, manufactories, warehouses, shops, and premises which may be necessary for them, and to lease land for residential, commercial, industrial, manufacturing and other lawful purposes.

It will be observed that in this clause, which was intended to deal with the subject of real property, there is no reference to the ownership of land. The reason of this omission is understood to be that the Imperial Government desired to avoid treaty engagements concerning the ownership of land by foreigners and to regulate the matter wholly by domestic legislation.

In the treaty as signed the rights of the citizens and subjects of the contracting parties with reference to real property were specifically dealt with (Art. 1) in the stipulation that they should have liberty "to own or lease and occupy houses, manufactories, warehouses, and shops," and "to lease land for residential and commercial purposes." It thus appears that the reciprocal right to lease land was confined to "residential and commercial purposes," and that the phrases "industrial" and "other lawful purposes," which would have included the leasing of agricultural lands, were omitted.

The question of the ownership of land was, in pursuance of the desire of the Japanese Government, dealt with by an exchange of notes in which it was acknowledged and agreed that this question should be regulated in each country by the local law, and that the law applicable in the United States in this regard was that of the respective States. This clearly appears from the note of Baron Uchida to Mr. Knox of February 21, 1911, in which, in reply to an inquiry of the latter on the subject, Baron Uchida said:

> In return for the rights of land ownership which are granted Japanese by the laws of the various States of the United States [of which, I may observe, there are now about 30] the Imperial Government will by liberal interpretation of the law be prepared to grant land ownership to *American citizens from all the States, reserving for the future, however, the right of maintaining the condition of reciprocity with respect to the separate States.*

In quoting the foregoing passage I have italicized the last clause for the purpose of calling special attention to the fact that the contracting parties distinctly understood that, in conformity with the express declaration of the Imperial Japanese Ambassador, the right was reserved to maintain as to land ownership the condition of reciprocity in the sense that citizens of the United States, coming from States in which Japanese might not be permitted to own land, were to be excluded from the reciprocal privilege in Japan.

From what has been pointed out it appears to result, first, that the California statute, in extending to aliens not eligible to citizenship of the United States the right to lease lands in that State for agricultural purposes for a term not exceeding three years, may be held to go beyond the measure of privilege established in the treaty, which does not grant the right to lease agricultural lands at all;

and secondly, that, so far as the statute may abridge the right of such aliens to own lands within the State, the right has been reserved by the Imperial Government to act upon the principle of exact reciprocity with respect to citizens of the individual State. In a word, the measure of privilege and the measure of satisfaction for its denial were perfectly understood and accepted.

In connection with the question of land ownership your excellency refers to the subject of naturalization in the United States, and in this relation I observe your excellency's statement that "Japanese subjects are, as a nation, apparently denied the right to acquire American nationality." Your excellency further declares that the provisions of law, under which it is held that Japanese are not eligible to American citizenship, "are mortifying to the Government and people of Japan, since the racial distinction inferable from those provisions is hurtful to their just national susceptibilites." Your excellency very properly ackowledges the fact that the question of naturalization "is a political problem of national and not international concern."

I gladly assume that your excellency, in saying that Japanese subjects are "as a nation" denied the right to acquire American nationality, has not intended to convey the impression that the naturalization laws of the United States make any distinction that may be specifically considered as national either in terms or in effect. Nor would it appear, if the legal provisions in question were historically examined, that the Government and people of Japan have any ground to feel that any discrimination against them was intended. But, as the fact is acknowledged in your excellency's note that the question of naturalization "is a political problem of national and not international concern," I infer that your excellency is not instructed to press the matter, and I will forbear to enter into a more extended discussion of it on the present occasion.

In the note of your excellency an apprehension is expressed that, in spite of the fact that the California statute purports to assure to aliens the right to hold real property in the manner and to the extent and for the purposes specified in any treaty, the terms of the law may be found to abridge not only rights of property falling within the terms of the existing treaty but also rights of property acquired in conformity with law theretofore. This Department, however, does not doubt that full protection will be extended by the courts to all vested rights of property. And I desire to add that if a case should ever be disclosed in which it was maintained by the Imperial Government that the existing property rights of one of its subjects had been impaired by the statute, this Government would stand ready to compensate him for any loss which he might be shown to have sustained, or even, in order to avoid any possible allegation of injury, to purchase from him his lands at their full market value prior to the enactment of the statute.

In conclusion, I have the honor to assure your excellency that the subjects of His Imperial Majesty will, as stated in my previous note, find in the courts of the United States, in the manner provided by the Constitution of the United States, full protection for all their legal rights; and I desire further to assure you that this Government

will, through its proper officials, stand ready at all times to use its good offices to secure the proper and efficacious determination of such suits. In this manner our Governments will cooperate for the preservation of the traditional friendship and mutual consideration which have ever characterized the relations of amity and good will that have prevailed between the Governments and peoples of the two countries.

Accept [etc.]

W. J. BRYAN.

File No. 811.52/181.

Aide-mémoire to the Japanese Embassy.

Viscount Chinda's aide-mémoire is presented apparently in pursuance of a telegram received on June 30 from the Imperial Minister for Foreign Affairs. In this telegram the statement is made that the larger part of the land actually owned by Japanese in California was acquired before July 17, 1911, the effective date of the existing treaty; and certain decisions of the Supreme Court of the United States in Chirac *vs.* Chirac, 2 Wheaton, 259, and other cases are invoked as guaranteeing rights of property which were acquired by Japanese subjects in the United States while the treaty of 1894 was in operation.

The Department, following the example set in the aide-mémoire, refrains from entering on the present occasion into a minute analysis of each of the judicial decisions thus cited. The Department, however, accepts the enunciation of principle, quoted from the decision in Chirac *v.* Chirac, "that a right once vested does not require, for its preservation, the continued existence of the power by which it was acquired"; and that "if a treaty, or any other law, has performed its office by giving a right, the expiration of the treaty or law can not extinguish that right." The Department has already observed, in its reply to Viscount Chinda's note of the 4th of June, and now repeats, that it does not doubt that full protection will be extended by the courts to all vested rights of property.

So far as the aide-mémoire relates to rights secured by the existing treaty of 1911, the Department may again recur to the fact that, by Section 2 of the California statute, it is provided that aliens not eligible to citizenship under the laws of the United States, "may acquire, possess, enjoy, and transfer real property or any interest therein in this State in the manner and to the extent and for the purposes prescribed by any treaty now existing between the Government of the United States and the nation or country of which such alien is a citizen or subject." As this clause in express terms requires the recognition of any rights secured by existing treaty, it is not to be assumed that any right so secured would not be fully protected.

The aide-mémoire, however, appears to extend too far the theory that the ownership of property carries with it a vested right to dispose of such property in all the ways in which property may be transferred, by sale, by gift, by devise, or by descent, without future limitation or restriction. Such a theory would render it impossible for a country to alter its laws with regard to the transmission of property. So far as the Department is advised it has never been held that a right

of ownership, vested either in a citizen or in an alien, would be impaired by a change in the law denying to any and all aliens the right to purchase lands. Such changes in the law have not been infrequent either in the United States or elsewhere, and it is believed that they have not been held to impair vested rights. If such rights are not impaired by forbidding alienation or transmission to all aliens, they are obviously not impaired by the prohibition of alienation or transmission to particular classes of aliens. Attention may in this relation be drawn to numerous treaties between the United States and other powers by which it is provided that where, on the death of the owner, real estate in the territories of the one power would descend upon a citizen of the other who is disqualified by alienage from taking, the latter shall be allowed a period, varying according to the stipulations of the treaties, to sell the land and withdraw the proceeds. These stipulations clearly recognize the fact that the right of ownership is not regarded as carrying with it an unlimited and unalterable right of disposition or descent.

The aide-mémoire, recurring to the "spirit and intent" of the existing treaty rather than to its particular stipulations, maintains that the provisions of the California statute discriminate against Japanese subjects "in a matter in which, internationally speaking, aliens are usually placed on national or most favored nation footing." The Department regrets that it is unable to admit that the assumption here made is well founded. Without entering minutely into an examination of conventional stipulations, the Department desires to point out that the alien ownership of land has seldom been treated in the practice of the United States as a matter of most favored nation treatment. The most favored nation clauses in the treaties of the United States have almost universally related to matters of commerce and navigation. In only a few cases, perhaps not more than two or three, has alien ownership been conceded by means of a most favored nation clause. With these exceptions the right of alien ownership has been secured only by special treaty stipulations, with the result that the citizens of countries not having such treaty with the United States were unable to enjoy the right of ownership.

In this relation the aide-mémoire quotes from Moore's Digest of International Law, volume 6, page 702, a summary to the effect that "a Mexican statute discriminating against citizens of the United States and other aliens in respect to the capacity to hold real estate in Mexico is in conflict with the treaty of 1831."

The Department desires to deal with the subject to which the foregoing summary relates, as it does with all other matters, with entire candor. The aide-mémoire correctly states that the treaty of 1831 contains no express provision on the subject of ownership of lands and that the most favored nation clause which it contains relates only to commerce and navigation and to certain other matters in which the holding of real estate is not included. Nevertheless, the Government of the United States then essayed to make the same argument which is now so strongly urged in behalf of the Imperial Government, but was in the end obliged practically to abandon it. The facts are as follows:

The remonstrance or protest of the United States related to certain Mexican laws restricting the right of alien ownership of lands, and

particularly to the law of July 20, 1863, which contains the following article:

2. Any inhabitant of the Republic has the right to denounce up to two thousand five hundred hectares, and no more, of public lands, with the exception of the natural born and naturalized citizens of nations adjoining the republic who, by no title whatever, can acquire public lands in the States bordering the said nations.

That this Department on the occasion in question went the full length of the present Japanese contention is conclusively shown by the text of its instruction dated June 23, 1879, which reads as follows:

The discrimination in this respect between those citizens and other foreigners is still believed to be invidious, unnecessary, at variance with the treaty, and quite incompatible with those friendly relations which the obvious interest of both countries requires should be maintained between them. * * *

The Mexican law of 1863 is specially invidious toward citizens of our border States, because it practically discriminates against them by name, and thereby stigmatizes them as unworthy to have the privilege of holding real estate. This stigma can not be acquiesced in by this Government, which does not admit the right of any foreign power to discriminate between citizens of different States of this Union, who can only be known abroad as citizens of the United States. It may be that the treaty of 1831 does not expressly confer upon citizens of the parties the right to hold real estate in their respective territories, nor does it provide for an equality of rights in that respect between Mexicans and our own citizens. Although the equality between citizens of the United States and other foreigners in Mexico is by the 2nd and 3rd Articles of the Treaty literally restricted to matters of commerce and navigation, it may also fairly be construed to include a like equality in the privilege of acquiring and holding real estate. It can not be doubted that if the construction now claimed had been anticipated, it would have been thwarted by an explicit provision. There is believed to be no such discrimination against Mexican citizens in any law in this country. There may be at least one effect of the Mexican Act of 1863, which may have escaped the attention of that Government. Both the Treaty of Guadalupe Hidalgo and the Gadsden treaty guarantee to those Mexican citizens in the ceded territories who might become citizens of the United States their full rights of property in those territories. It is understood that many of those persons were owners of real estate in the border Mexican States. The effect of the law adverted to may be to confiscate that property while the title to that of those in Texas or elsewhere who were formerly Mexicans is guaranteed to them by treaty. It is hoped, therefore, that the policy of the Mexican Government on this subject will be so changed as to free it from the serious objections which have been pointed out.

The position of the Mexican Government was set forth in a note of its Minister of Foreign Affairs to the Minister of the United States in Mexico, dated May 26, 1879, which reads as follows:

Having informed the President of the Republic of the contents of this note, by his direction I have the honor to make the following reply:

The right which a sovereign State has to concede or refuse to foreigners the privilege of acquiring real estate in its territory is indisputable and universally recognized, as well as to establish a limit to this right when it has been conceded. In the use of that right, in exercise of its sovereignty, Mexico has issued different laws upon the subject, among them that of the 11th of March, 1842, which, on permitting foreigners established and resident in the Republic to acquire and possess city and rural property in the territory, made exceptions of those departments adjoining or fronting other nations, determining that in these foreigners could not acquire real estate without express permission from the Government, and that of the 20th of July, 1863, which prohibits native or naturalized citizens of the adjoining countries to acquire public lands in the States of the Republic bordering on those countries.

Mexico, upon issuing these laws, has not infringed the stipulations of article 3rd of the treaty of 1831 nor has it violated the spirit which prevails in that convention, because nothing is established in them which should be considered as contrary to the liberty, privileges, and security guaranteed to North Ameri-

can citizens in order that they may go with their vessels and cargoes to any market, port, or river of the Republic to which other foreigners are admitted, nor are said citizens prevented from renting houses and warehouses for the purposes of their commerce, nor are they prevented from dealing in all kinds of products, manufactures, and goods, nor are they obliged to pay higher duties, imposts, or emoluments than are paid by the citizens of the most favored nations, nor is there anything, in a word, conceded to the latter with respect to navigation and commerce which is denied to North American citizens.

On the other hand, the equality of privileges, exemptions and rights with the most favored nations, stipulated with the United States in Art. III of the treaty of 1831 refers to navigation and commerce; but although it should extend to another subject (capitulo), that equality should be understood to be under circumstances also equal, and with reference to the acquisition of lands in the frontier states, it can not be sustained that the United States which adjoin Mexico are in the same condition as the nations of Europe or of South America, for instance.

I should at the same time call the attention of your excellency to the exception contained in the law of July 20, 1863, which is the most peremptory disposition referred to by the clause of the contract which gave rise to this note, which should not be considered as referring exclusively to the citizens of the United States, as it also comprehends those of the neighboring Republic of Guatelama, having the same conditions of boundary with Mexico; hence there is not nor can there be any justifiable motive for the Government of the United States to consider the prohibition established by the aforesaid law as an exclusion injurious to its citizens, and which refers to the nations bordering on the Republic.

It was in reply to this exposition of the law by the Mexican Government, which had been called forth by previous representations on the part of the United States, that the instructions above quoted, of subsequent date, were sent. They were duly communicated to the Mexican Government. On August 20, 1879, the Minister of the United States in Mexico wrote to the Department as follows:

On the 17th ultimo I communicated to the Mexican Foreign Office in a note of that date the substance of your despatch No. 646, of June 23rd, relating to the prohibition to citizens of the United States from acquiring real estate and public lands in the Mexican border States.

Up to this date I have received no acknowledgment of my note and I regard it as highly probable that no reply will be made thereto, neither have we any reason to expect that the policy of the Mexican Government on the subject will be changed, as a result of the protest you have directed me to make.

The forecast of the American Minister proved to be correct and the remonstrance of June 23, 1879, remained unanswered. The law also remained unaltered.

The aide-mémoire expresses the belief that the present instance is the first one in which a power, being a party to a reciprocal commercial treaty guaranteeing most favored nation treatment "in all that concerns commerce and navigation," has ever been placed by the other contracting party at a disadvantage, as compared with nontreaty countries, "in matters which, in the treaty, are made the subject of reciprocal concession." This passage seems to blend two questions which are by no means interdependent. As is observed in the Department's note of the 16th instant, if the contracting parties have dealt with a certain subject by means of an express reciprocal agreement, it is hardly open to either party to assert that the adjustment thus made is not fair and equal, or that it is open to objection because it falls short of most favored nation treatment.

In the animadversions of the aide-mémoire upon discriminatory legislation the Department desires to express a general concurrence. It must, however, be admitted that discriminations of one kind and

another very widely prevail, and that it is often necessary to deal with them in a tolerant spirit in order that greater causes of irritation may be avoided. Perhaps in no case is it more essential to take this moderate view than in that of the ownership of lands.

The aide-mémoire quotes a resolution of the House of Representatives of the United States on December 13, 1911, calling for the termination of the then existing commercial treaty between the United States and Russia because of the refusal of the Russian Government, as the resolution declared, to admit American Jews generally to that country. This resolution, it may be observed, was never communicated to the Russian Government and never assumed an international character. The passage quoted in the aide-mémoire does not appear in the resolution adopted by Congress; and notice was, as the aide-mémoire correctly states, given to Russia of the intention to terminate the treaty on the ground that it was "no longer fully responsive, in various respects, to the needs of the political and material relations of the two countries." The treaty was subsequently terminated, but, with this exception, the previous conditions continue and the discrimination complained of remains unchanged.

The aide-mémoire refers to the California statute as discriminating against Japanese subjects "in the matter of ownership of lands and houses." The distinctions on this subject have been pointed out in the Department's note of the 16th instant, in which the meaning and effect of the clauses of the existing treaty are fully set forth. It may be repeated that the statute contains no discrimination against Japanese as such, but applies equally to all aliens not eligible to citizenship.

The Department, following the example of the aide-mémoire, has forborne to enter into the discussion of the various and sometimes intricate questions affecting corporations as compared with individuals. These are questions peculiarly appropriate for judicial examination; for, while it is held that a corporation is a "citizen" of, or has its "domicile" in, the State by which it was created, even though a majority of its stockholders may be citizens of other States or countries, yet these are matters more or less of legal regulation, and the rights, privileges, and immunities of corporations are by no means coextensive in all matters with those of natural persons.

The aide-mémoire refers to a suggestion that the question of alien ownership of land in the several States of the United States is beyond the reach of the treaty-making power. The Department desires only to say that such a suggestion has not come from the Government of the United States. The aide-mémoire is correct in its statement that this subject has been dealt with by the treaty-making power, and that the provisions of the treaties on the subject have been upheld by the courts.

The aide-mémoire quotes from an instruction of this Department of March 5, 1875, in which the Secretary of State of the United States declared, in a case arising in Brazil, that the Imperial Government at Rio de Janeiro must be held accountable for any injury to the person or property of a citizen of the United States committed by the authorities of a Province. The Department is not disposed to question the correctness of this view, but would call attention to the fact that, in the instruction referred to, the statement was made that, as the gov-

ernors of the Provinces in Brazil were appointed by the Imperial Government, "the latter may be regarded as specially responsible for their acts in all cases where the law of nations may have been infringed, *and justice may be unobtainable through the courts.*"

As is stated in Department's note of the 16th instant, the subjects of His Imperial Majesty will find in the courts of the United States, in the manner provided by the Constitution of the United States, full protection for all their legal rights, held under treaty or otherwise, and this Government will stand ready at all times through its proper officials to use its good offices to secure the prompt and efficacious determination of such suits. Such appears to be the proper and feasible course in the present matter, in which questions of various kinds may arise, in respect of which it is scarcely possible to forecast the appropriate forms of action. The courts of the United States, as is well known, deal only with actual questions, with actual infractions of rights, and not with infractions merely mooted or apprehended.

The California School case and the Horcon Ranch case presented questions of a different order from those now under consideration. In the California School case a single and actual treaty question, not relating to a matter of property, had arisen and was ready for adjudication. In the Horcon Ranch case a suit in equity was brought by the Government of the United States against an irrigation company for the purpose of preserving an international boundary to which the United States was directly a party. The United States is no doubt interested in the maintenance of all its treaties; but, as the numerous adjudicated cases cited in the aide-mémoire clearly show, questions concerning private titles to land, whether such titles be assured by treaty or not are adjudicated upon the suit of the parties in interest without any interposition on the part of the Government of the United States.

Not only is this the practice, but it is greatly to the advantage of individual suitors that it is so. As Governments not infrequently differ in the interpretation of treaties, the private individual, if dependent for judicial protection upon the motion of the Government within whose jurisdiction he asserts that his treaty rights are denied, might be deprived of an effective remedy altogether, in case that Government should hold that the treaty was not violated. Moreover, the individual suitor, in presenting his arguments and allegations, is not restrained by the responsibility which necessarily attaches to the declarations and contentions of an immediate party to the international compact. His dependence upon the action of such a party would hamper his efforts and diminish the opportunity for redress.

For these reasons the judicial defense of private rights, and particularly of rights of private property, even where they may have vested under a treaty, is left to the suit of the individuals concerned. In the present instance, however, this Government has offered to go beyond the usual practice and to use its good offices to facilitate the progress of the judicial procedure, out of deference to the susceptibilities of a friendly power to whom this Government wishes ever to be bound by the closest ties of amity and respect.

DEPARTMENT OF STATE,
Washington, July 16, 1913.

File No. 811.52/190.

The Japanese Minister for Foreign Affairs to the Japanese Ambassador.[1]

[Telegram.]

The two communications addressed to you by the Honorable the Secretary of State on the 16th of July last, in further discussion of the question of the recently enacted alien land law of California, have been received and carefully considered by the Imperial Government.

That act, by depriving the Japanese subjects of the right of land ownership, while freely continuing the right, not only in favor of the subjects and citizens of all the other powers with which the United States maintain reciprocal treaty relations, but in favor of many nontreaty aliens, has established a discrimination of the most marked and invidious character against Japan. The measure is, moreover, in the opinion of the Imperial Government, unjust and inequitable, and contrary to the letter and spirit of the Japanese-American treaty, as well as at variance with the accepted precepts governing and regulating the intercourse of good neighborhood, and being admittedly *ex industria* discriminatory against this Empire as compared with other states, it is also mortifying to the nation and disregardful of the national susceptibilities of the Japanese people.

This is the gravamen of Japan's complaint. The notes of the Honorable W. J. Bryan contain remarks in explanation and extenuation of the action of California, but nothing, in the estimation of the Imperial Government, which answers fundamentally to that complaint or which tends to shake their conviction regarding the main question. If, as is confidently believed, the existing treaty between Japan and the United States has been violated, there is but one remedy, and the Imperial Government are unable to escape the conclusion that the duty of applying that remedy devolves solely upon the Government of the United States, as the measure complained of has, despite the protest lodged by you, been permitted to go into operation.

The Imperial Government reserve for the present the further discussion of the question at issue. There are, however, some statements and conclusions advanced by Mr. Bryan which the Imperial Government feel it their duty forthwith to call in question. This instruction is designed to answer those observations.

I hasten, in the first place, to say that the Imperial Government do not for a moment imagine that the discrimination complained of was the outcome of a national policy. They regard, and have from the outset regarded, the action in question as of a local character. But, whatever causes may have been responsible for the measure, it can not be denied that, in its final manifestation, it is clearly indicative of racial antagonism. Nor, in the opinion of the Imperial Government, can any justification for such enactment be found in the assertion that it was "the emanation of economic conditions." It is the high office of modern treaties of commerce to prevent undue international discriminations, and the most favored nation principle, which finds a place

[1] Received by the Ambassador August 23, 1913, and received at the Department of State August 26, 1913.

in nearly all such compacts, has had the effect, in an international sense, of equalizing opportunities in all the various avenues of commercial and industrial life. It is true that special privileges are, in exceptional circumstances, sometimes granted by one nation in favor of another, but the present case stands out, it is believed, as the one single instance without historical parallel, in which a state maintaining, by treaty, the reciprocal most favored nation relations with another state, has ever, in a matter such as that under discussion, essayed to discriminate against such other state, as compared with third powers with which no such relations exist. The action of Mexico in 1863, which was so strongly condemned by the United States, furnishes no such parallel, since the law in that case was, it appears, based upon considerations of a geographic nature exclusively.

The Secretary of State denies the proposition advanced by you to the effect that the California statute discriminates against the Japanese subjects, and that in the matter of land ownership aliens are usually, internationally speaking, placed on national or most favored nation footing. In support of that denial he cites the practice which prevails in the United States on the subject of alien land ownership, and he adds, "that the citizens of countries not having such treaty with the United States (*i. e.*, treaty granting, either expressly or by inference, under the most favored nation clause, the right of land ownership) were unable to enjoy the right of ownership." This statement has naturally caused surprise to the Imperial Government, and they confess their inability to understand it. It not only conflicts directly with the California law in question and is irreconcilable with the statutes of many States of the Union by which the right of alien ownership is accorded independently of a treaty stipulations, but it declares, in effect, that the discrimination complained of, which has been repeatedly recognized as a fact, is without foundation. In these circumstances it is quite sufficient for the Imperial Government to repeat their contention that, by the California enactment, the Japanese subjects are denied the right of real estate ownership in localities in which that right is freely conceded to aliens belonging not only to the states which have no treaty engagements with the United States on the subject, but to the powers which have no commercial treaties whatever with the United States.

Recurring to the subject of the Mexican incident, I desire to say that the Imperial Government are unable, upon the record in the case, to concur with Mr. Bryan in the view that the United States was in the end, obliged practically to abandon its contention. Reading in natural sequence the correspondence exchanged between the United States and Mexico, the conviction is, it seems to me, irreprovable, that the quoted words of the Secretary of State on the occasion, instead of being regarded as an argument, must be accepted as a deliberate conclusion of the American Government on the subject.

It is unnecessary, it seems to me, to follow Mr. Bryan in his remarks concerning the negotiations connected with the conclusion of the treaty of 1911. It is sufficient to say that the reason, why no stipulation regarding land ownership was inserted in the treaty, is because neither contracting party desired at that time such a stipulation, the United States equally with Japan. The assurance contained in Viscount Uchida's note of February 21, 1911, on the sub-

ject of liberal interpretation of the Japanese land law, was given at the instance of the United States, because of the condition of reciprocity contained in that law. The assurance was given, as stated in the note, "In return for the rights of land ownership which are granted to Japanese by the laws of the various States of the United States."

The laws of Japan on the subject of alien land tenure are not illiberal, but, in any case, they contain no provisions discriminating, in any manner whatever, against the citizens of the United States. On the contrary, in all that relates to land ownership, as well as in the matter of all other civil rights, the American citizens, without distinctions and without conditions, are accorded in Japan full and complete most favored nation treatment, and there is no desire on the part of the Japanese administration to modify this state of things. What Japan claims is nothing more than fair and equal treatment.

The Secretary of State, it is observed, dwells at length upon the subject of labor immigration into the United States, and, in the same relation, he refers to the action of Japan in circumstances somewhat analogous to those existing in America. The reason or necessity for this exposition is not understood by the Imperial Government. The question of immigration has nothing whatever to do with the present controversy, and any reference to it only tends to obscure the real issue. This announcement I wish to make very categorical. More than four years ago, the Imperial Government willingly cooperated with the American Government in adopting suitable measures in regulation of labor movements from Japan to the United States. The steps thus taken were entirely efficacious, so that during the past three years considerably more Japanese laborers left the United States than have entered that country. The Government of the United States has recognized and frankly admitted the sufficiency of the measures enforced by the Imperial Government in the matter. The Japanese Ambassador to the United States, at the time of the conclusion of the treaty of 1911, declared under the authority of his Government that the Imperial Government were fully prepared to maintain with equal effectiveness the limitation and control which were then exerted in regulation of the emigration of laborers to the United States. Accordingly, in order to correct and finally dispel the popular error, I wish to say that there is no question whatever between Japan and the United States on the subject of the Japanese labor immigration into the United States. The present controversy relates exclusively to the question of the treatment of the Japanese subjects who are lawfully in the United States or may hereafter lawfully become resident therein consistently with the existing regulations. So far as such subjects are concerned, the Imperial Government claim for them fair and equal treatment, and are unable either to acquiesce in the unjust and obnoxious discrimination complained of, or to regard the question as closed so long as the existing state of things is permitted to continue.

You are requested to explain the substance of this instruction to the Secretary of State and deliver a copy.

LIBERIA.

MESSAGE OF THE PRESIDENT, DANIEL E. HOWARD, TO THE LEGISLATURE.

File No. 882.032/11.

NOTE. The message of President Daniel E. Howard was communicated to the Legislature of Liberia December 17, 1913, and was transmitted to the Secretary of State by the American Chargé d'Affaires, Mr. Richard C. Bundy.

[Extracts.]

The trouble at River Cess[1] has claimed our serious attention this year. We do not now feel wholly warranted in saying that the disorder has been finally quelled, still peace reigns and law and authority are fully established and being maintained from River Cess to Lower Buchanan. An attempt was made by the Krus in June to take River Cess, but they were successfully repulsed with heavy losses by Lieutenant Smith, of the Frontier Force, of whose gallant conduct Major Ballard speaks in terms of merited praise.

I am pleased to be able to inform you that the troubles in the Gio section, in the rear of Grand Bassa County, where the Rubber Corporation is, or was, operating, have been successfully settled.

Conditions on the Franco-Liberian boundary, and particularly the Cavalla River Section, have been very peaceful save for a little trade incident which happened between the merchants of Maryland County and the natives on our side. We were informed that the traders of the Cavalla formed themselves into a combination and greatly reduced the prices formerly paid for produce, while they maintained in fact the selling prices of their goods. As a retaliation the natives elected to and did carry their produce over to the French side for sale. The matter was brought to our attention and was discussed with the General Receiver of Customs and, while we both preferred having the produce disposed of in our territory, we saw no legal way of compelling the natives to do so, since indeed in trading with the French merchants they complied fully with our laws. This is one of the proofs that we are not placing any barriers in the way of traffic with our neighbors on the southeast.

The Secretary of State will submit to your Honorable Body the findings in the matter of the Attia claims against the Government; also the awards concerning the claims for losses sustained by the German merchants[1] at River Cess and points adjacent, at the settlement of Brewerville, and in the case of damages sustained by some clerks of the firm of A. Woermann at the hands of Krumen in Monrovia.

It gives me very great pleasure to convey to you the information that our Consul General at Washington, U. S. A., Dr. Ernest Lyon, notified the Secretary of State on the 9th of October, that he had successfully concluded the transactions relative to the Donovan Fund,[2] and

[1] Printed post, pp. 655 et seq. and 682 et seq.
[2] Printed post, pp. 686 et seq.

that the accumulated sum of sixty-five thousand five hundred eleven dollars and eleven cents had been duly turned over to him by the president of the American Colonization Society for which amount he had given his receipt. He further stated that this sum had been deposited in a bank of which the American Colonization Society is a depositor and whose treasurer is a member of the Colonization Society.

The late Caroline Donovan, of the State of Maryland in the United States of America, being possessed of certain real estate in the City of Baltimore, executed a deed of trust to the American Colonization Society, giving said property in trust to the Society for the transportation annually to Liberia of such colored persons as might desire to emigrate from the United States. Should the transportation of such persons for any one year not require the net income from the said property for that year, such balance remaining should be applied by the Society to the maintenance of public schools for the education of colored children in Liberia. This sixty-five thousand five hundred eleven dollars and eleven cents represents the accumulated balances of the net income of this fund.

It is altogether right and fitting that we should express our appreciation for this donation and for the amount now coming to Liberia, and becoming available as it does at this time when there is a general cry throughout the Republic for an industrial school. I am certain that the wishes of the donor, as well as those of our friends in America, will be adequately carried out. We have already placed ourselves in touch with more than one of the societies in America interested in education in Liberia with a view of securing their advice and cooperation in the procuring of suitable teachers for the establishment of an efficient industrial plant, and from this cooperation, backed by our hearty approval and enthusiasm, we are sanguine that such results will be obtained as will revolutionize our school work.

A bill is being prepared relative to the Donovan Fund governing the appropriation of same towards the establishment and maintenance of an industrial and normal school in honor of the donor of this bequest.

GOOD OFFICES OF THE UNITED STATES IN COMPOSING DIFFICULTIES WITH THE GERMAN GOVERNMENT.

File No. 882.00/447.

The American Chargé d'Affaires to the Secretary of State.

No. 53.] AMERICAN LEGATION,
Monrovia, October 12, 1912.

SIR: I have the honor to make the following report to the Department with reference to certain disorders that occurred in the city of Monrovia recently, which at the time seemed to be assuming very serious proportions.

During the last week in September and the first three or four days in October, several Europeans residing in the city of Monrovia were set upon after dark presumably by irresponsible young Liberians

and stoned. I have been credibly informed that there were four distinct attacks of this character on as many different parties. The first persons who were victims of these attacks were Englishmen, but after two or three days Germans and Dutchmen were assailed in a similar manner.

One instance I personally investigated and found that a German clerk had been struck on the hand by a missile of considerable size. The hand was rather seriously injured. This was the only case I know of in which bodily injury was sustained. But it was reported to me that several persons had the lanterns which they were carrying smashed, and were compelled to run to avoid being struck. So far as I have been able to ascertain, it does not seem that any of the parties attacked were in any way guilty of actions likely to stir up disorder. They were simply walking the streets in a peaceable manner, as was their custom.

The serious feature about these disorders is, that all the Europeans in the city complained bitterly to their respective consuls. Among the foreign consuls there was much talk to the effect that foreigners' lives were not safe in Monrovia, and Liberian officials were either so inefficient or indolent as not to be able to control the situation. The Acting German Consul was actually on the point of cabling to his Government this view of the situation, on account of pressure from the irritated German residents here. I let it be known that it was my opinion that the situation was by no means beyond the control of the Liberian civil authorities, and that a fair opportunity ought at least be given them to deal with the disorder before any steps were taken by the foreign representatives that were likely to involve consequences the end of which could not be foreseen. The Acting German Consul informed me verbally that it was his intention to cable his Government, if there were another single instance of an attack upon a German subject or property. He made me the promise, however, that if in his opinion it became necessary for him to cable, he would advise me of his intention before so doing.

I have also orally discussed these disorders with the French and English consular officers here, and it has been decided that it would be better to have a conference of all the foreign representatives in Monrovia, at which a common course of action could be outlined, if it became apparent that the Liberian authorities were unable to cope with the situation, than for each officer to act independently and possibly give rise to serious misunderstanding.

I do not think the Liberian authorities are unable to deal adequately with disorders of this character, but I feel in the case under discussion that they might have moved more expeditiously and completely suppressed the outbreaks of a few rowdy incorrigibles after the first attack, and thus prevented the question from ever assuming international proportions. The slowness of the authorities gave an opportunity to this lawless element to make an attack on the American Legation.

On the night of October 3rd, 1912, after the retirement of all the occupants of the Legation, a stone of about one-half pound in weight was thrown by unknown parties through one of the office windows on the first floor, where with the fragments of the shattered pane I found it next morning. The noise of breaking the window had not

been sufficient to attract my attention at the time it was done, so the fact was not discovered until next morning.

I promptly took the matter up with the Secretary of State in a despatch of October 4th, 1912, in which I protested against the assault on the Legation and requested protection. In his reply the Secretary of State made appropriate apologies and offered me a guard of frontier soldiers to protect the Legation. This I respectfully declined, as I pointed out to him that a guard of soldiers stationed around the Legation would confirm the impression current in the minds of Europeans in Monrovia, that the civil authorities were unable to take care of the situation; and if this information were to get abroad, it would likely be very embarrassing to the Liberian Government. Not only this, I also expressed the opinion that the disorder could have been very easily subdued by a little greater activity on the part of the civil authorities. I therefore, confined my request for protection to the nightly detail of a policeman to do duty in the vicinity of the Legation until such time as I could feel reasonably sure that all danger from a recurrence of the assault had passed. This request was immediately complied with, and until the time of writing I have heard of no more attacks, either on foreigners or their property.

I am further informed that the Secretary of State offered a guard of soldiers to each of the foreign consular officers here, in his reply to their respective protests and demands for protection. None of the consular officers, I have learned, accepted the guard.

The thing that appears to call forth the most unfavorable comment by the resident consular officers is that they seem to feel that the Liberian authorities too seldom detect criminals; and the punishment inflicted when they are caught and brought into court is not in keeping with the offense. The claim is frequently made that this condition invariably develops if the party undertaking the prosecution is a foreigner. The recent disorders might easily have created a very difficult situation, as I am reliably informed that after the first attack was reported most of the foreigners went about the streets after dark heavily armed and had expressed their intention to protect themselves if they were assaulted. Fortunately no occasion arose which required any foreigner to undertake his own protection.

It is gratifying to report that the Liberian Government and the best citizens greatly deplore these disturbances and I have no evidence that would tend to fix responsibility for the trouble in this direction. Some say that it is an expression of resentment on the part of sympathizers with Cooper and Lomax, directed against foreigners because it was felt that they had scant respect for the court proceedings which acquitted the accused men.[1] I have heard many times that Europeans have frequently and openly expressed their contempt for the outcome of the Cooper-Lomax trials, but I am not yet personally prepared to account for the disorder on this ground. Other reports say, that it was an effort to discredit the present administration by stirring up trouble which it could not manage and involve it in international complications. This explanation I also discard. I think the most probable solution is, that the whole affair was started by rowdy,

[1] For. Rel. 1912, p. 661.

irresponsible boys and young men who very likely had personal grievances against some foreigners and undertook to take revenge by stoning them after dark. Finding that the mischief was creating widespread alarm throughout the city, the disturbers took a malicious glee in continuing their attacks until the thoroughfares were adequately policed and it was generally known that a recurrence would certainly cause somebody to be seriously hurt. Only then did the trouble cease. This interpretation does not find very general acceptance among the other foreign representatives here.

The thing that I feel must be emphasized to the Department is the unstable condition of affairs in the Republic at this time. The most trivial incident may at any time cause overwrought foreigners to precipitate a situation that would be quite beyond the control of the Liberian Government. The cause of the unrest is to be found, I believe, in the delay in the effective operation of the new loan agreement and the prevalent local European impression, that it is highly probable that the agreement will never become operative. Also there is an ever-increasing opinion among foreigners that the Liberian Government cannot long continue to exist, unless there soon comes an effective supervision of its affairs by forces outside of itself. Meanwhile, the Liberian Government is doing its very best to meet the essential requirements of a most awkward and distressing situation with a fortitude that is, to say the least, commendable.

I am [etc.]

RICHARD C. BUNDY.

File No. 882.51/459a.

The Acting Secretary of State to the American Chargé d'Affaires.

[Telegram.]

DEPARTMENT OF STATE,
Washington, November 6, 1912.

Department just informed by New York bankers they have received cable advices from Hamburg alleging rioting now going on in Monrovia and throughout Republic and that authorities are unable to restore order owing to lack of funds: also that German cruiser has been ordered to capital. Bankers naturally unwilling to proceed with loan negotiations if situation is such as they fear. Report fully by cable at once what present conditions actually are.

ADEE.

File No. 882.00/446.

The American Chargé d'Affaires to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Monrovia, November 7, 1912.

Department's November 6. No rioting whatever at Monrovia. Stone throwing by irresponsible persons, reported in my No. 53 October 12, suppressed more than a month ago.

At Brewerville, fifteen miles north, German store in charge of Liberian looted ten days ago to the extent of about $1,200. Cause, local feud among Liberians; culprits promptly arrested.

Native uprising at river Cess seventy-five miles south cause refusal Government to permit foreign merchants to sell natives gunpowder. Ballard, American officer, with efficient troops there, reports uprising suppressed. Similar sympathetic uprising vicinity Bassa. Troops dispatched there.

It is true foreign merchants have lost goods from branch stores in these districts due to disorders mentioned but I believe situation by no means beyond control authorities.

Government funds short. Establishment gold basis renders impossible raising emergency funds on duty paper. Loan security until now intact but protracted delay and prevailing uncertainty as to loan are doing great harm to the interests of all concerned. Unstable financial situation coupled with disorders and consequent loss of goods caused German merchants to appeal for war vessel. Am reliably informed that this proceeded from German merchants directly and not through their consul. Their action effectually concealed until fifth instant.

Believe no necessity for presence of war vessel exists. Fears of bankers not warranted by situation as understood here.

BUNDY.

File No. 882.00/450.

The American Chargé d'Affaires to the Secretary of State.

[Extract.]

No. 62.] AMERICAN LEGATION,
Monrovia, November 11, 1912.

SIR: I have the honor to submit, for the information of the Department, the following report on the recent disorders which have occurred in Liberia, and have been apparently so grossly exaggerated in European circles.

I am reasonably certain that none of these reports were made by any of the foreign representatives here. Like myself, possibly excepting the Acting German Consul, they were all very much surprised to receive cables from their home Governments instructing them to report immediately as to the true situation of affairs in Liberia, as most alarming reports had apparently reached the various foreign offices through other than official sources.

From what I have been able to ascertain, it would seem that the responsibility for these reports can be traced in only one or two directions, probably in both. At the time the stone-throwing, reported in my No. 53, of October 12, 1912, was going on in Monrovia, two German newspaper correspondents were sojourning here for a few days. I am informed that on leaving Monrovia they proceeded direct to Hamburg, where statements were published relative to the disorders that had taken place, and these statements magnified the incidents greatly beyond their true proportion. I am inclined to believe that some of these rumors originated with these press correspondents. I was further informed that the German Consul requested that these

correspondents make no reports on Liberia that would likely be detrimental to the country, and that assurances had been given him by the correspondents that they would comply with his request, but subsequent developments seem to indicate that the request of the German Consul did little or no good.

The other source of these alarming rumors I think can be laid at the door of certain German merchants, possibly at Bassa, who became alarmed at the threatened sympathetic uprising which was being fomented in the vicinity of Bassa on the part of natives who it seemed intended to join forces with the Krus who were rebelling against the enforcement of the governmental regulation with respect to the sale of gunpowder to them by the foreign merchants at River Cess. As near as I can arrive at the truth of the matter, it would seem that the agents of German houses at Bassa sent by steamer a message to Freetown, Sierra Leone, to be cabled to their head office in Hamburg to the effect that a native uprising was imminent, and that foreigners' lives and property would not be safe in the vicinity of Bassa. Local German agents and the German Consul seem to have had no information as to the action of the agents of Bassa, and disclaim any responsibility for the alarming reports which were sent to Hamburg. I have no means of verifying completely this explanation, and I may say, that I entertain some doubt as to the entire truthfulness of this version. I am under the impression that at least local German agents had some knowledge of what was being done, and perhaps were a party to it.

By promptly sending fifty men to Bassa, the backbone of the disorder was immediately broken and until the present no uprising has been reported from that district.

With reference to the River Cess incident, I have to say that it originated, as before indicated, on account of the Government's refusal to permit foreign merchants to sell gunpowder to natives. Incensed at this prohibition, the Kru people living in this district rebelled and seriously crippled the business of this port of entry by refusing to work on the surf-boats by means of which cargo is landed from the steamers. The Government, of course, had to take immediate cognizance of this disorder, and dispatched, under Major Ballard, one of the American officers, about seventy-five well drilled, efficient men to suppress this rebellion. On October 25th the troops were dispatched. Official reports written on October 27th informed President Howard that the uprising had been completely suppressed, several of the ringleaders captured and order restored.

It is to be noted that there is a well defined impression in Government circles that the German merchants at River Cess instigated this uprising and were in sympathy with the natives.

Concerning the disorders of Brewerville, I have to say that it has been customary for the town of Brewerville to collect license from the foreign merchants' stores there and use the money as may seem best to the authorities of the town. Recently, I understand, the Treasury Department has enforced a regulation which requires that the amounts accruing from these licenses be paid into the General Treasury. The amount involved is only some three hundred dollars per year, but it was sufficient to stir up great animosity in Brewerville against the regulation. The amount of property destroyed is reported to be about

$1,200. A claim for this property will be placed against the Government, which probably will recognize it and make some provision for settlement. There is absolutely no connection at all between the Brewerville incident and the Bassa and River Cess disorders.

It is my personal opinion, as well as that of the other foreign representatives residing here, perhaps excepting the Acting German Consul, that there was nothing in the situation that looked alarming and threatened a general destruction of property and menaced the lives of foreigners.

Accordingly, it is not believed that it was by any means necessary to call for the presence of a war vessel. I understand that the German gunboat *Panther* will make a call here within a day or so, but as things are absolutely quiet and peaceful, I cannot see any use whatever for her presence at this time.

The alarming representations that have been made in consequence of these disorders verifies the statement I made in my despatch of October 12th, with reference to the unstable condition of affairs in Liberia, and at any moment over-wrought foreigners might do things that would precipitate a very serious situation. I feel that we have not yet passed beyond the possibility of further trouble of this character. There is an evident hysterical sentiment prevailing among the foreign merchants here which might kindle into action that would have very unfortunate results. It is particularly noticeable that this sentiment exists mostly among the Germans. I believe that it is largely due to a total loss of confidence on their part in things Liberian. I would hesitate to ascribe their action and feeling to a more sinister motive, yet it is entirely within the realm of possibilities that such motives may exist. However, this much I believe I can state with a considerable degree of certainty: The German merchants have been and are completely hostile to the establishment of the gold basis by Liberia, in the matter of paying customs, before the Receivership has actually gone into operation. In the first place this has largely cut down the profits they have been accustomed to make by "jobbing" in duty paper. Second, no effort has been made by the Liberian Government so far as I know, to pay anything on their current accounts, and at the same time the Government endeavors to secure additional credit which the merchants are now denying. It was probably this fact which led to the report that the Government was short of funds and was unable to suppress the uprisings on that account. I am informed that before Major Ballard and his troops were sent to River Cess, an effort was made by the Government to obtain supplies from German merchants at Monrovia on credit, and they were flatly refused, except duty paper was given. On its part it must be stated to the credit of the Government, that it refused to issue any more duty paper.

It would appear, therefore, that the longer the Receivership is kept from operation the more difficult it is becoming for the Government to raise funds to meet emergencies. It is to be hoped, therefore, that the end of the delay is well in sight and the time approaches when the Receivership can take charge. Personally, I am of the opinion that matters can be very easily controlled if confidence is restored by the Receivership going into effect at an early date.

Just as I was about to bring this despatch to a close I was informed that the German gunboat *Panther* has arrived in the harbor. It is reported that she proceeds to Bassa, the seat of the alleged disorder, at 11:00 this evening. I will promptly and fully advise the Department of future developments.

I am [etc.]

RICHARD C. BUNDY.

File No. 882.00/449.

The American Chargé d'Affaires to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Monrovia, November 12, 1912.

German gunboat *Panther* arrived yesterday Monrovia. Commander made formal written request of the President that Liberian Government take energetic and decisive measures to guarantee safety of Germans on Bassa coast. If satisfactory measures were not undertaken within twenty-four hours commander expressed intention to make armed intervention. Reply demanded by seven p. m. If no expression made by President, commander reserved liberty to act as he saw fit.

President replied giving assurances that situation is under control and declining intervention. *Panther* left here for Bassa coast last night. Believe situation in regard to disorders unchanged but cannot forecast German action.

BUNDY.

File No. 882.00/447.

The Secretary of State to the American Chargé d'Affaires.

[Extract.]

No. 37.] DEPARTMENT OF STATE,
Washington, November 13, 1912.

SIR: The Department has received and read with interest your despatch No. 53, of October 12, 1912, with reference to certain recent disturbances that occurred in Monrovia, and in reply informs you that the attitude taken by you in the matter has the Department's approval. * * *

I am [etc.]

P. C. KNOX.

File No. 882.51/497.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Extract.]

AMERICAN LEGATION,
Monrovia, December 26, 1912.

German cruiser *Bremen* arrived Monrovia yesterday; three German warships now in Liberian waters. Acute situation developing between German and Liberian Governments over assault al-

leged by German commander to have been made upon German officer and marines by Liberian officer and soldiers at River Cess. Summary punishment of accused officer and soldiers demanded by German Government. Assurances given by Liberian Government that immediate action will be taken by it upon receipt findings of the investigation to be conducted by Ballard who was not present at time alleged incident occurred.

BUNDY.

File No. 882.00/454.

The Secretary of State to the American Chargé d'Affaires.

[Telegram.]

DEPARTMENT OF STATE,
Washington, December 30, 1912.

Have asked German Ambassador to request his Government to refrain from issuing ultimatum as a result of the incident at River Cess pending investigation now being conducted by Ballard. You will urge upon the Liberian Government the importance of settling the matter equitably with as little delay as possible.

KNOX.

File No. 822.00/455.

The American Chargé d'Affaires to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Monrovia, January 5, 1913.

German Consul informs me verbally German Government will be satisfied with nothing less than dismissal Liberian officer and intimates drastic action will be taken if dismissal not conceded. Ballard's report almost certain to exonerate Liberian officer or set up counter charges as grave as those made by Germans.

Liberian Government states that if compelled to accede to German demands irrespective of Ballard's report it will consider usefulness of American officers seriously impaired.

Believe can exert sufficient pressure to secure dismissal provided incident will be closed and no further demands made by German Government. German Consul has been asked to give official assurance in this regard and has communicated with his Government. Please instruct. Urgent.

BUNDY.

File No. 882.00/455.

The Secretary of State to the American Chargé d'Affaires.

[Telegram.]

DEPARTMENT OF STATE,
Washington, January 7, 1913.

The Department could not give definite instructions until it had received and examined Ballard's report. Inasmuch as no American

officer was present and because such course would be for the purpose of avoiding long delay, it is difficult to see why the closing of the incident in the manner outlined in the last paragraph of your telegram of January 5 should affect the usefulness of the American officers, and certainly the earliest possible adjustment of the incident is desirable. Perhaps you could agree with the German Consul that the dismissal of the Liberian officer should be provisional, pending an ultimate exchange of views between the American and German Governments after both had received full reports from their respective representatives.

KNOX.

File No. 882.00/456.

The American Chargé d'Affaires to the Secretary of State.

[Telegram.]

AMERICAN LEGATION.
Monrovia, January 8, 1913.

German Government demands not only dismissal of officer but apology and guaranty that officer will not again be employed in any official capacity. Liberian Government willing to concede dismissal and apology but declines to give guaranty, stating it is unconstitutional. German Consul seeking to have his Government accept as modification of guaranty assurance that officer will not again be employed in the frontier force. Liberian Government urges me to request the assistance of Department in securing acceptance modification of guaranty by German Government.

BUNDY.

File No. 882.00/456.

The Secretary of State to the American Ambassador at Berlin.

[Telegram - Paraphrase.]

DEPARTMENT OF STATE.
Washington, January 10, 1913.

The commander of a German war vessel in Liberia charges a Liberian officer and soldiers with an assault upon a German officer and marines at River Cess. The American Chargé d'Affaires at Monrovia reports that the German Government demands dismissal of the Liberian officer, an apology and a guaranty that the officer will not again be employed in an official capacity. The Liberian Government is willing to dismiss the officer and offer an apology but will not give the demanded guaranty because it would violate the Liberian Constitution. An investigation of the disturbances at River Cess is being made by an American ex-army officer who is in command of the Liberian forces at that place and his report may exonerate the Liberian officer or set up counter charges as grave as those made by the German officer. It is reported from Monrovia that the German Government will take drastic action if the Liberian officer is not dismissed. The American Chargé has been instructed that if

the incident could be closed by the dismissal of the officer it would be desirable that the Liberian Government take that action. It has also been suggested that the dismissal be made provisional pending ultimate exchange of views between the German and American Governments after full reports have been received.

Use good offices with the German Government and ask that the demand on Liberia be modified so that the Liberian Constitution be not violated and point out that Liberia's willingness to dismiss the officer and apologize even before report of investigation is received would seem all that could be equitably expected. If the German Government refuses to waive its demand upon Liberia suggest that the Liberian Government give a guaranty that the dismissed officer be not again employed in the Liberian Frontier Force.

Make it clear to the German Government that in view of the marked consideration of German wishes from the very beginning of the Liberian negotiations, this Government feels justified in expecting on the part of Germany a patient and liberal attitude toward Liberia and a cordial cooperation with this Government to save the Liberian Government from embarrassments.

KNOX.

File No. 882.00/457.

The Secretary of State to the American Chargé d'Affaires.

[Telegram.]

DEPARTMENT OF STATE,
Washington, January 14, 1913.

German Foreign Office has cabled Consul at Monrovia accepting proposed compromise. President merely agreeing verbally in your presence not to employ accused officer during his term of office. German Foreign Office considers incident closed.

KNOX.

CLAIMS OF GERMAN MERCHANTS AGAINST LIBERIA; FORMATION OF A CLAIMS COMMISSION; GOOD OFFICES OF THE UNITED STATES.

File No. 882.51/494A.

The Secretary of State to the American Chargé d'Affaires.

[Telegram—Extract.]

DEPARTMENT OF STATE,
Washington, December 19, 1912.

Referring to your several reports as to recent disturbances at different points in Liberia and to the recent visit of the German cruiser *Panther*, the result of exaggerated accounts from the German press, it would seem that the German Government is rightfully entitled to ask indemnity from the Liberian Government for the destruction of German property at Brewerville and possibly other points. The German Ambassador informs me that upon the demand of his Gov-

ernment in this regard the Liberian Government at first promised to satisfy the claims of German merchants interested at once but has now changed its position and insists that the question must be left to the decision of the Liberian courts. In reply I informed the Ambassador I had every confidence that the judicial decision would be an equitable one, but you will discreetly bring to the knowledge of the proper officials the sympathetic interest this Government takes in the satisfactory settlement of this question. * * *

KNOX.

File No. 882.51/495.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Extract.]

AMERICAN LEGATION,
Monrovia, December 23, 1912.

Department's December 19. Am cooperating heartily with German Consul to adjust existing difficulties but believe efforts more fruitful if German commanders assume more friendly attitude toward Liberian Government.

BUNDY.

File No. 882.51/519.

The American Chargé d'Affaires to the Secretary of State.

No. 76.] AMERICAN LEGATION,
Monrovia, January 13, 1913.

SIR: I have the honor to make the following report with respect to the efforts made to reach a satisfactory settlement of the claims of the German merchants:

During the first discussion concerning these claims, it was very apparent that the German Consul and nearly all of the merchants were strongly opposed to permitting the claims to go before the Liberian courts for adjudication. The fact that most of the claims were for losses sustained by the merchants at places not ports of entry, and were therefore not legally entitled properly to become the subject of diplomatic representations, according to contract and Liberian laws, seems to have made little or no difference in the firmness of the German contention that the claims should not be submitted to the Liberian courts.

After spending many weary days in futile discussion, I proposed as a compromise that the matter should be finally decided by an international commission composed of five members, the Governments of the United States, Germany, France, Great Britain and Liberia appointing one member each; the findings of a majority of the commission to be final and binding alike upon the Governments of Germany and Liberia. I informed the Liberian Government, and the German Consul as well, that I could not pledge the Government of the United States to support this proposal, as it had emanated from me personally and without the knowledge of my Government. How-

ever, I promised to lay the matter before the Department and secure, if possible, some expression from it as to the feasibility of such a scheme, and ascertain whether or not the Government of the United States would favor an arrangement of this kind. Meanwhile, I suggested that the Liberian Government acknowledge liability for the losses and make a proposal to the German Government to adjust the claims along a line in keeping with the international commission idea; the ultimate adoption of this method to be of course contingent upon all of the Governments mentioned becoming a party to it. The Liberian Government acted upon my suggestion and replied to the German Consul's demands respecting the claims (inclosure No. 1) in terms which called for the adjudication of the claims either by the Liberian courts or by an international commission (inclosure No. 2). Adjudication of claims by the Liberian courts was included in the proposal of adjustment to prevent waiving of the right to settle the matter in that way if it should become expedient to revert to that method. Before presenting the international commission plan to the Liberian Government I had fully and freely discussed the proposition with the British Consul General, the French Vice Consul and the German Consul. All agreed that it appeared to meet the conditions adequately, but could do nothing more than give their personal approval to the scheme before communicating with their respective Governments. This, I understand, they have done. What results have attended their efforts is not known to me yet.

I was led to propose the commission plan not only as a compromise, but also for the following additional reasons:

First. It appears to me very likely that it might be quite difficult to have these claims treated with absolute fairness by the Liberian courts at this time. There is so much anti-German sentiment in the country at present that the element of feeling might easily prevail where reason ought to control. Without doubt the Executive Government would be inclined to deal perfectly fair with the question, but it is questionable whether or not it could exert enough influence on the courts to secure an equitable adjustment of the claims. Then too, it seems to me to be inadvisable to encourage the Executive Government to exert influence on the courts even in the interest of a righteous cause, as such a procedure is distinctly irregular. At this time all efforts ought to be directed toward the elimination of practices that are open to question.

Second. If the claims are presented to the Liberian courts, it would be difficult to have the adjustment satisfy the merchants should the awards be much reduced from the original amounts presented, and it is not unlikely that the claims will be exorbitant. An international commission, acting without prejudice or bias, could well make large reductions and still not have its findings questioned or repudiated.

Third. The payment of these claims, by whatever means they are adjudicated, becomes a matter of great importance since the Receivership will undoubtedly be called upon to furnish the money to liquidate them, and an international commission's findings would therefore probably receive much more consideration than those of the Liberian courts. Moreover, it seems to me that any additional obligations contracted by the Liberian Government ought to be with

the knowledge of all the Governments that are identified with the loan agreement, because new obligations might seriously impair the security of the bonds. While the proposal of an international commission ignores the Liberian courts, which normally ought to treat these claims, I believe this method uses a means that will protect the Republic as effectively as the courts, perhaps even more so. In any event the precedent thus established cannot, in my opinion, embarrass the Liberian Government in the future should other claims arise against it.

Other reasons could be enumerated, but I think those already stated are sufficient to indicate my point of view.

It is significant that when these claims were first talked over by the German Consul and myself it was intimated to me that in the aggregate they would not amount to more than twenty-five or thirty thousand dollars. After the international commission plan of settlement was proposed, the claims took a sudden jump to sixty thousand dollars or more. It is my personal opinion that the merchants will endeavor to secure damages not only for goods actually lost, but also for profits they would have made if their business had been going on without interruption in the disturbed areas.

Before closing this despatch I had a call from the German Consul, who informs me in confidence that his Government thinks a commission of five too large and unnecessary, and it makes a counter-proposal, that the commission be composed of three members, one each representing the German and Liberian Governments, and these two to be empowered to choose a third member who will be a disinterested party. This modification might be acceptable, it appears to me, if the other Governments have no objection. Personally, I think that a commission composed of five members chosen as before indicated would give better satisfaction to all the interests involved. However, if that plan cannot be carried out, the next best thing will be tried. I expect that certain phases of this matter will have been taken up with the Department by cable before the arrival of this despatch. Should that not be the case, I earnestly request that the Department furnish me with its views on this matter at the earliest practicable moment.

I am [etc.]

RICHARD C. BUNDY.

[Inclosure 1.]

The German Consul to the Secretary of State of Liberia.

J. No. 887.] GERMAN CONSULATE,
Monrovia, December 30, 1912.

DEAR SIR: With your declaration of November 6 the Government of the Republic of Liberia has taken over the guaranty for the protection of life and property of all foreigners residing within the areas affected by the existing unrest.

This declaration of your Government has been accepted by my Government with despatch of November 12, J. No. 700; the contents of this despatch has been carefully noted, without any objection by your Department of State, with its despatch No. 582 of November 14.

In a verbal declaration of the 16th instant you made me understand that the declaration of November 6 had to be interpreted in a restrictive manner, that

the indemnity for damages of property sustained by foreigners could be accorded only after an appeal has been made to the Liberian courts and without being made the subject of diplomatic intervention and in accordance with the law concerning the trade of foreigners interiorwards or coastwise beyond ports of entry.

In accordance with the instructions I have received from my Government I have to declare that my Government cannot accept any restrictive interpretation of the first declaration and that it holds the Liberian Government responsible for any damages sustained by German firms.

I respectfully beg in the name of my Government at the earliest date the declaration whether the Liberian Government is willing to pay the damages sustained by German firms, of which I will hand particulars as soon as I have got them myself.

I have [etc.]

BARON GROTE.

[Inclosure 2.]

The Secretary of State of Liberia to the German Consul.

No. 1.] DEPARTMENT OF STATE,
Monrovia, January 1, 1913.

DEAR BARON: I have the honour, in keeping with my note to you of the 30th of December last, to communicate to you the views of the Liberian Government on the subject-matter of your despatch J. No. 881, dated the 29th of December.

1. The Liberian Government considers the discussion of claims of German subjects for losses alleged to have been sustained by them, growing out of the disorders at River Cess and its adjacent coast, quite premature at this time, since no claims whatever have up to the present moment been presented to the Liberian Government by German subjects; and until the presentation of such claims to the Liberian Government by German merchants and the former's refusal to admit and satisfy their claims, I respectfully submit that they could not be properly made a subject of discussion between the two Governments, especially upon the lines and to the extent indicated in your said despatch.

2. With reference to the declaration made in my despatch of November 6, 1912, to your predecessor, to the effect that "The Government of Liberia guarantees protection for the life and property of all foreigners residing within the affected areas", and the construction placed upon it by your Government I beg to say that the Liberian Government regrets that it cannot harmonize its view with the construction placed by your Government upon its declaration above quoted.

The protection guaranteed by the Government of Liberia for the lives and property of foreigners residing within the affected areas is only that protection which such foreigners would be entitled to under the existing laws of Liberia, and further only to such foreigners who were and are still legitimately residing and carrying on business within disturbed areas.

The Government of Liberia is most firm in its conviction on this point, as it cannot at all imagine that the Imperial German Government would for a moment insist upon compensation being given to such of their subjects who might be residing and carrying on mercantile operations within the disturbed areas in open violation of the laws of the Republic permitting foreigners to reside and trade at non ports of entry.

The Imperial German Government has always in the past lent its influence in securing from its subjects residing in Liberia full respect for the laws of the Republic. And the Liberian Government therefore has every confidence that your Government will continue such a correct and friendly policy.

However, as an evidence of the Liberian Government's sincere desire to meet as far as practicable the expressed wish of the Imperial German Government and also to maintain those most friendly relations which have so uniformly in the past existed between the two Governments, I have been directed by His Excellency the President to state that upon presentation to the Liberian Government of the claims of German subjects for losses said to have been sustained by them, due to disorders at Brewerville, River Cess and its adjacent coast, it will admit liability for all claims to which German subjects may be en-

titled provided that such claims be adjudicated either by the Liberian courts or by an international commission composed of one representative each from the American, British, French, German and Liberian Governments; and that the findings of the majority of the members of such a commission shall be final and binding alike upon the German and Liberian Governments.

I trust that the proposed solution of the difficulty will be acceptable to the Imperial German Government, whose relations with Liberia have always been of a most friendly character.

Please accept [etc.]

C. D. B. KING.

File No. 882.51/509.

The American Chargé d'Affaires to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Monrovia, January 17, 1913.

As compromise measure Liberian Government has proposed to German Government that the claims of German merchants be adjudicated by international commission composed of one representative each appointed by Governments of United States, Great Britain, France, Germany and Liberia. Proposal subject to the approval of Governments mentioned. Confidentially informed by German Consul his Government will propose commission of three, Governments of Liberia and Germany to appoint one each these two empowered to choose third member. Shall I support Liberian or German proposal?

BUNDY.

File No. 882.51/509.

The Secretary of State to the American Chargé d'Affaires.

[Telegram.]

DEPARTMENT OF STATE,
Washington, January 18, 1913.

While recognizing equity Liberia's proposal it is thought that commissioners of five nations might tend to inject political questions. Smaller commission might avoid complications attended with larger number and Department therefore inclined to favor German suggestion particularly if third commissioner should be an American, which would probably be the case.

KNOX.

File No. 882.51/517.

The American Chargé d'Affaires to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Monrovia, February 6, 1913.

Commission of three agreed upon. Germans have rejected every American proposed as third commissioner and are insisting that an Englishman fill the place.

German Government demands that Liberian Government agree to pay merchants in one year all claims that may be awarded by commission, although amount of claims unknown and members of commission not yet chosen. German Consul informs me that he is unable to induce his Government to modify this demand. Liberian Government agrees with advice of Financial Adviser and after commission has ascertained full amount of claims to arrange definite time of settlement and allow five per cent interest annually on claims until paid. Liberian Government urges me to request Department to induce German Government to accept these terms otherwise serious financial difficulties will result.

BUNDY.

File No. 882.51/517.

The Secretary of State to the American Ambassador to Germany.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 8, 1913.

The American Legation at Monrovia reports that the German Government demands that the Liberian Government agree to pay the full amount of indemnity for property destroyed by native uprisings in one year, although the claims commission has not yet been constituted and the amount of indemnity is unknown. The German Consul at Monrovia has been unable to induce his Government to modify this demand. The Liberian Government is willing to agree to a definite time of settlement after the commission has ascertained the full amount of the claims, and to pay five per cent interest until claims are paid in full. Unless the German Government accepts these terms financial difficulties will result. The proposition of the Liberian Government seems to be just and has the support of this Government. Use your best endeavors with the German Government to accept these terms.

The German Government has rejected every American proposed for third commissioner, insisting upon appointment of an Englishman. While this Government does not object to the appointment of a British subject the Department is of the opinion that the third member of the commission should represent a nation which has no territorial interests adjacent to Liberia.

KNOX.

File No. 882.51/518.

The American Ambassador to Germany to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Berlin, February 10, 1913.

The Minister for Foreign Affairs of Germany feels obliged to insist upon a prompt settlement of the claims of German merchants against Liberia and suggests that thirty per cent of the customs re-

ceipts be set aside for the payment of the claims after the commission has rendered its awards. Upon my request this amount may be reduced by one third. I am assured that there is no prejudice against the appointment of an American on the claims commission, provided he has no affiliations with the Liberian Government.

LEISHMAN.

File No. 882.51/518.

The Secretary of State to the American Ambassador to Germany.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE.
Washington, February 12, 1913.

Owing to the strained financial conditions of Liberia the Government of that country looks for most favorable terms in the settlement of the German claims. If the German Government's suggestion is accepted the claims must be paid in much less time than one year as originally proposed. The total of the claims will probably not exceed $25,000. Again bring to the attention of the German Government the Liberian proposal contained in Department's telegram of the 8th instant and add that under the circumstances it seems that the Liberian Government cannot be expected to offer a better settlement of the claims.

KNOX.

File No. 882.51/528.

The American Chargé d'Affaires to the Secretary of State.

[Extract.]

No. 84.] AMERICAN LEGATION,
Monrovia, February 14, 1913.

SIR: I have the honor to make the following report in continuation of my No. 76 of January 13, 1913, respecting the commission which has been proposed as a means of adjusting the claims which the German merchants have filed against the Liberian Government.

By reference to my cable of January 17, it will be noted that I stated that the German Government would propose a commission of three, the Governments of Liberia and Germany to appoint one each, and these two were to be empowered to choose the third member. This proposition, as emanating from the German Government, was stated to me verbally by the German Consul, who has rather an indifferent knowledge of English. Later I saw a written statement of the proposition as presented to the Liberian Government by the German Consul, and the manner of choosing the third member of the commission was materially different from that orally stated to me by him. Instead of the Liberian and German commissioners choosing the third commissioner, the German Consul's written proposal provided that the Governments of Liberia and Germany should agree on a neutral man to become the third commissioner. I found that the Liberian Government readily accepted the proposal as writ-

ten, and I let the matter pass without comment, since indeed it might easily have happened that through his deficient knowledge of English, the German Consul may have thought he had stated the proposition to me orally as he had written it to the Liberian Government. I felt at the time that a great deal more difficulty would be experienced in arriving at a choice of a third member by referring it to the two Governments to make the selection, than if the two members designated by the German and Liberian Governments had power to choose the third member; and such has proved to be the case. * * *

After rejecting the names I proposed, and intimating that any others I might bring forward would scarcely prove acceptable to the merchants, the German Consul proposed Mr. W. E. O'Connell, agent at Monrovia for the Paterson Zochonis Company, whose headquarters are in England. Mr. O'Connell is locally called an Englishman, but I believe that he is actually of Irish extraction. He bears a good business reputation at Monrovia, but the Liberian Government regards him as a man of mediocre ability, and not able to resist much pressure.

When the negotiations reached this stage, it was very apparent that the Germans were trying to secure some unfair advantages. In the first place the German Consul let it be known that it was the purpose of the German Government to nominate Mr. Lange, the German Receiver of Customs, as its representative on the commission. The Liberian Government and Mr. Reed Paige Clark, General Receiver of Customs, immediately objected to this procedure. Enclosure No. 1 is a copy of a letter received by this office from the General Receiver, in which his objections are stated.

The Liberian Government has taken the position, that Mr. Lange is a Liberian official and as such is not available for assignment by the German Government to do work on the contemplated commission or otherwise, irrespective of the Liberian Government's wishes, so long as he is under contract to it. The German Consul claims that Mr. Lange is not a Liberian official, and can be designated to serve on the commission by the German Government, whether the Liberian Government agrees to it or not. The German Consul has informed me that if the Liberian Government persists in maintaining the position it has taken, the German Government will regard such action as distinctly unfriendly to it, and quite likely to lead again to strained relations between the two Governments. The German Consul asked me whether or not I thought that Mr. Lange was a Liberian official, and I replied that it was my opinion that he was, and that the Department of State had expressed this view to the German Chargé d'Affaires at Washington when the question of Mr. Lange acting as German consular officer and receiver of customs at the same time was under discussion.[1]

I am of the opinion that the German Government is preparing to use great pressure to carry this point. In view of the position taken by the German Government with respect to Mr. Lange, the reason for such persistent efforts on its part to have the third commissioner chosen before either of the other two members were selected became

[1] For. Rels. 1912, p. 686 et seq.

apparent. The Germans' evident desire was to fill the third place with a neutral, non-American commissioner, and then force Mr. Lange on as the German representative. In this way they expected to dominate the commission.

When the Liberian Government recognized that the German Government would not recede from its contention, a verbal statement was made to the German Consul, to the effect that if Mr. Lange were nominated as the German member of the commission, then the Liberian Government would be obliged to insist that Mr. Reed Paige Clark should be the third member. The German Consul informed me that he would get an expression from his Government with reference to this statement but rather doubted that it would be acceptable to the German merchants.

While the personnel of the commission was receiving so much attention, the German Consul came forward with a very extraordinary proposition with respect to the payment of the claims. Although the members of the commission are not yet chosen, and the amount of the damages that will be awarded are necessarily unknown, still the German Consul demanded that the Liberian Government agree to pay the full amount of the commission's awards in one year (see enclosure No. 2). When this proposition was presented to me by the German Consul, and my views requested, I stated that it was my opinion that the proposition was not fair either to Liberia or to the Receivership. I added that I thought it was a very undesirable policy to force the Liberian Government to contract to pay an indefinite amount in one year without regard to the Receivership or the Financial Adviser. Moreover, the principle involved would, to my mind, not be changed if the exact sum in question had already been definitely ascertained.

I have been endeavoring to discern the motive underlying the attitude the German Government has assumed with respect to the payment of these claims, and I believe it may perhaps be accounted for on the ground that there is a feeling among the Germans that if the advice of the Receivership is given Liberia with regard to the terms of settlement, it is very probable that the time will be stretched out over several years. Furthermore, it is apparently believed that the British and French receivers and the American General Receiver are hostile to these claims, and would be inclined to favor the Liberian Government when the terms of adjustment are decided upon. Another fact of significance is that there are merchants of other nations, notably English and Dutch, having claims against the Liberian Government growing out of these same disorders, and from statements inadvertently dropped by the German Consul during some of our conversations he appeared to be fearful that more favorable terms of settlement will be granted to the English and Dutch claimants than to the German. In order to forestall any such arrangement, the German Consul seems to be taking a course which is designed to secure preferential treatment of the German claims.

In talking over this whole matter with President Howard he has taken occasion to say to me many times, that he does not propose to be intimidated any further by the German Government when he feels that gross advantage is being taken of Liberia and there is little or no regard for justice and fair play. If threats of force are

again used by the German Government to carry its points irrespective of the right in the matter, I believe it is entirely possible that the Liberian Government will take such a stand that the threats will have to be translated into action, in which event a crisis will of course be precipitated. The Liberian Government now feels that Germany is bent on her destruction, and that no more concessions can be made merely for the purpose of pacifying the ambitious program of the Germans in Liberia. I have used much effort to reassure the Liberian Government that I feel that its fears with respect to German designs in Liberia are not well founded, but I can not say that I have been very successful in changing the views that it now holds. The Liberian Government continues to point to the aggressive and unfriendly action of the German Government, despite its protestations of friendship, as a much more convincing proof of the soundness of its views than all the arguments and logic I can present to the contrary.

I think that the situation is aggravated a great deal by the sentiment which most Germans residing in Liberia hold and express, that Liberia has no right to exist. Many times this statement has been made in my hearing by Germans. The German Consul, however, has repeatedly told me that he had been instructed by his Government to do all he could to preserve the autonomy of the Liberian State, and that it was his intention to observe carefully his instructions. This position of the German Government has also been stated in conversation by the German Consul to the Liberian Government, but it is pointed out to me by Liberian officials that the acts of the German Consul do not square with his words, and the German professions of friendship and kindly interests are insincere. I feel that I can candidly say that if it had not been for the fact that I have continually acted as a mediator between the Liberian Government and the German Consul in the difficulties which have arisen, an open rupture would have already taken place between the Liberian and German Governments. The view-points of each Government are so diverse that there seems to be very little common ground upon which to reach understandings.

On an entirely independent basis I have been compelled to reflect considerably upon the German attitude in Liberia, and it appears to me that in certain of its features it challenges, or at least to some extent is disregardful of, American primacy in Liberian affairs. I have never been unmindful of the instructions to me in the Department's cable of December 19, but I am firmly convinced that the success of the American policy in Liberia, as I understand it, is totally dependent on the Government of the United States retaining unimpaired its leadership in Liberian affairs. In support of this conviction I have always used my best endeavors.

I am [etc.]

RICHARD C. BUNDY.

[Inclosure 1.]

The General Receiver of Customs to the American Chargé d'Affaires.

MONROVIA, *January 27, 1913.*

SIR: It has recently come to my ears that Mr. Lange, the German Receiver of Customs, has been suggested as the German member of the mixed commission

which, it is proposed, will investigate the claims of certain merchants against the Liberian Government.

Without entering into a discussion of the matter, I wish to protest most emphatically against the assignment of Mr. Lange to the commission. An appreciable per cent of his time would necessarily be taken up by the work of the commission and he would be unable to give the receivership work the attention that it imperatively requires. Mr. Lange is scheduled to go on leave April 17th and he can not possibly be spared in the meantime.

May I not rely upon you to put this protest before the Department in such a way as to bring about the Department's objection to the proposed assignment of Mr. Lange?

I am [etc.]

REED PAIGE CLARK.

[Inclosure 2.]

The Secretary of State of Liberia to the American Chargé d'Affaires.

No. 81.] DEPARTMENT OF STATE,
Monrovia, February 5, 1913.

DEAR MR. CHARGÉ D'AFFAIRES: For the information of your Government, I beg to submit to you the following facts in connection with the proposed commission to enquire into and pass upon the claims of German merchants, presented to the Liberian Government, for losses alleged to have been sustained by them, growing out of the recent disorders at Brewerville and River Cess and its adjacent coast.

On the 30th of January the Imperial German Consul called at the Department of State and intimated the willingness of his Government to submit the claims of the German merchants in question to an arbitration commission as proposed by the Liberian Government, provided that such a commission be composed of three members only, one to be named by the German Government, one by the Liberian Government and the third by agreement of the two Governments. This proviso made by the German Government to the Liberian Government's proposal was agreed to by the latter. It was also agreed,

(a) That each Government pay the expense of its own member of the commission, and the expense of the third member be equally divided between the two Governments.

(b) That the majority decision of the commission be final and binding upon the two Governments.

(c) That the period for the sitting of the commission do not to exceed one month.

(d) That on all unpaid amounts of the claim which may be awarded by the commission, interest of 5% be charged to the Liberian Government.

The Consul, however, declared that his Government desired that the time for the payment of the amount of the claims which may be awarded by the commission be fixed in these preliminary arrangements for the commission, and suggested the term of one year. In reply to this demand of the German Government, I expressed to the Consul the hope of the Liberian Government that his Government would not press the point of fixing the time for payment at the present stage of these negotiations, for the following reasons:

1. Because the Liberian Government would find it difficult to fix the time for the payment of a sum of money the amount of which is unknown and not yet declared by the commission.

2. Because the Financial Adviser of the Republic will necessarily have to be consulted before the Liberian Government could fix the time for the payment of such amounts as may be declared and awarded by the commission, as under the provisions of Article 4, Sec. 4, page 13 of the refunding loan agreement the Receivership is charged with the responsibility of providing for the payment of all such claims.

Therefore the Liberian Government respectfully and earnestly requests the United States Government to use its good and friendly offices with the Imperial German Government to induce it to withhold its demands of fixing the time of payment of such portions of the claims that might be awarded until they have been finally passed upon by the proposed commission.

I avail [etc.]

C. D. B. KING.

File No. 882.51/522.

The Secretary of State to the American Chargé d'Affaires.

[Telegram.]

DEPARTMENT OF STATE,
Washington, February 19, 1913.

German Foreign Office has informed our Ambassador at Berlin that it has proposed to Liberian Government Mr. O'Connell, an Irishman, as arbiter for claims commission but that Mr. O'Connell had confidentially informed German Consul that he was unable to accept position for reason that Liberian Government through its Attorney General had threatened him that it would be injurious to his business interests to act as arbiter in the commission.

German Government willing to make following concessions as to terms of settlement: Liberia to deduct from customs receipts the necessary funds for loan service, salaries of receivership and customs administration and then set aside twenty-five per cent of remainder, instead of thirty per cent originally proposed for paying off indemnity.

German Government feels that O'Connell affair is an intrigue on part of Liberian Government to delay negotiations for settlement of claims and states that it is not willing to stand any further protraction.

Ambassador Leishman informs the Department that he received the impression at the Foreign Office that when the question of the personnel of the commission is satisfactorily decided German Government might be willing to accept twenty per cent though such further concession would undoubtedly evoke protests from claimants. This arrangement might be favorable to Liberia since in months of small customs receipts the payments would be correspondingly small.

Inquire from Clark how this proposition would affect customs receivership and if it would be crippled by deducting twenty-five per cent. Inform Department the maximum per cent finances would permit.

KNOX.

File No. 882.51/524.

The Secretary of State to the American Chargé d'Affaires.

[Telegram.]

DEPARTMENT OF STATE,
Washington, February 25, 1913.

American Ambassador at Berlin reports that German Foreign Office appears much annoyed over alleged dilatory action of Liberian Government relative to appointment of third commissioner. Ambassador is informed that on account of difficulty experienced in securing foreigners to serve, owing to threats made in case of O'Connell, German Government proposes calling upon French Consul to act as third commissioner providing consent of his Government can be obtained.

Stubborn insistance of German merchants and fear of parliamentary criticism have so far prevented American Ambassador from

being able to induce Foreign Office to modify terms of settlement but should question of commissioner be promptly settled it is thought a counter offer of Liberian Government extending payment over two years payable monthly out of customs receipts might possibly be entertained.

You will take this matter up with the Liberian Foreign Office discreetly pointing out that Liberia's interest would call for a prompt and amicable agreement as to third commissioner. It may be stated that while Department would not express objection to appointment of Englishman or Frenchman it would seem desirable for all nations concerned that third commissioner should represent nation having no territorial possessions adjacent to Liberia.

KNOX.

File No. 882.51/525.

The American Chargé d'Affaires to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Monrovia, February 28, 1913.

Opposition of Liberian Government to O'Connell was consistent and for good reasons. German Government endeavored to force Lange on commission as its representative; thereupon Liberia insisted that Clark be third commissioner. German Government objected to Clark and withdrew Lange. Liberian Government has accepted Mr. Pigott, an Englishman, nominated by German Government as third commissioner. Verbal agreement on personnel of commission reached more than week ago. Copy of written statement made by O'Connell totally disavowing expressions attributed to him by German Consul has been given me by Liberian Government.

Clark objects to terms of settlement proposed by German Government because, first, they contemplate deduction from funds under direct control of Receivership and necessary for its successful operation, such as upkeep of sea-patrol service and frontier force, Liberia powerless to pledge any portion of these funds; second, any charge on balance turned over to Liberian Government by Receivership would destroy budget and nullify all measures of financial reform instituted, paper would again be issued for short paid Government debts; third, Receivership owes foreign officials in the service of Liberian Government more than $10,000 arrears salaries, this obligation ranks prior to any claims for indemnity; fourth, Receivership already embarrassed by falling revenue, deficit since November 26 over corresponding period last year more than $30,000, state of revenue precludes any added charges at present; fifth, there are other foreign claimants who will likely demand treatment not less favorable than that accorded Germans.

Clark proposes that the sum of at least $20,000 be appropriated next year and substantial sum annually thereafter for payment of claims, German claims being preferred. Further that all unexpended receipts over term of years be similarly applied.

Clark says he cannot assume responsibility for financial reorganization if German proposal is forced upon Liberia.

BUNDY.

File No. 882.51/528.

The Acting Secretary of State to the American Chargé d'Affaires.

No. 49.] DEPARTMENT OF STATE,
Washington, March 26, 1913.

SIR: The Department has received your interesting despatch No. 84, of February 14, 1913, relative to the proposed adjustment of the claims which certain German merchants have filed against the Government of Liberia, and in reply informs you that your general attitude as shown therein has the Department's thorough approval.

I am [etc.]

ALVEY A. ADEE.

File No. 882.51/532.

The American Chargé d'Affaires to the Secretary of State.

No. 98.] AMERICAN LEGATION,
Monrovia, March 31, 1913.

SIR: I have the honor to report to the Department that Mr. Pigott, who was named and had accepted the position as arbiter on the German merchants' claims commission, was subsequently rejected by the German Government although in the first instance he had been named by the German Consul. The Liberian Government thought this procedure very irregular but for the sake of peace did not insist upon the retention of Mr. Pigott.

I have heard that the German Consul approached the French Vice Consul at Monrovia and requested him to serve, but it appears that the French Government did not give its assent when the matter was laid before it; so the French Vice Consul was not able to serve. The German Consul then turned to Mr. I. Odin, a Frenchman, and the local manager of the French wireless station at Monrovia. Mr. Odin agreed to serve and the Liberian Government found no objection to his nomination; so the commission was finally constituted of Mr. Fritz Specht, German representative; Mr. James Cooper, Liberian representative; and Mr. I. Odin, arbiter.

The commission began its sittings on March 18th, at Monrovia, and claims for damages sustained at Brewerville by the German merchants were the first to be brought before the commission. I have been reliably informed that after a two days' examination of these claims, the commission awarded eight hundred dollars ($800) to the claimants. The original amount of the claims filed for the Brewerville damages was, I understand, about fifteen hundred dollars ($1500).

On March 24th, the commission left Monrovia aboard the German gunboat *Panther*, for Grand Bassa, where it has resumed its work. It is expected that all of the claims will be investigated and the awards made in less than a month's time if no untoward conditions arise.

There remains open the question of the terms of settlement. I am informed that it has been agreed between the German and Liberian Governments that this question shall be disposed of after the commis-

sion's awards are made. It is hoped that acceptable terms of settlement may be arranged without arousing any further friction between the two Governments.

I am [etc.]

RICHARD C. BUNDY.

File No. 882.51/556.

The American Chargé d'Affaires to the Secretary of State.

[Extract.]

No. 106.] AMERICAN LEGATION,
Monrovia, April 30, 1913.

SIR: I have the honor to transmit herewith a complete transcript of of the minutes of the German merchants' claims commission[1] from and including April 3, 1913, until its dissolution after the awards were made on April 23, 1913. * * * The awards amount to five thousand six hundred one dollars and seventy-seven cents ($5,601.77). * * *

I am [etc.]

RICHARD C. BUNDY.

File No. 882.51/560.

The American Chargé d'Affaires to the Secretary of State.

[Extract.]

No. 117.] AMERICAN LEGATION,
Monrovia, June 6, 1913.

SIR: * * * It is reported to me that the German merchants who filed claims against the Liberian Government, for losses alleged to have been sustained due to recent disorders, are greatly annoyed over the outcome of the work of the commission charged with the adjudication of these claims. It appears that the merchants feel that the German Consul is responsible for their failure to obtain damages from the Liberian Government in substantial amounts. In fact, some of the merchants have in conversation expressed themselves to me in this sense, and have intimated their intention to disregard the awards of the commission.

The Liberian Secretary of State has informed me that the Government has been approached, since the awards of the commission were made, by some of the German merchants who urge that they desire a private settlement of their claims. Of course, such settlements would inevitably involve far larger amounts in each case than were awarded by the commission. I understand that the Government has steadfastly refused to consider any terms of settlement not based on the actual findings of the commission. * * *

It is not at all improbable that these claims will be brought to the foreground again in the near future.

I have [etc.]

RICHARD C. BUNDY.

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[1] Not printed.

UPRISINGS OF NATIVES ON THE SIERRA LEONE FRONTIER.

File No. 882.00/478.

The American Chargé d'Affaires to the Secretary of State.

[Extract.]

No. 110.] AMERICAN LEGATION,
Monrovia May 15, 1913.

SIR: I have the honor to inform the Department that it is being reported to me from various sources that there is a good deal of unrest among the Liberian natives who inhabit that portion of Liberian territory that is adjacent to the Sierra Leone-Liberia boundary. In fact, I am reliably informed that the paramount chief of this section, Mambu by name, was recently captured by a powerful rival chief called Bumbo-koli, and killed in a very barbarous fashion. From what I have learned of the matter it would seem that this recent trouble is an echo of the disorder fomented in this district by Cooper and Lomax more than a year ago, which culminated in the execution of eight chiefs of the action. It appears that it was through the support given by Messrs. Cooper and Lomax to Mambu that he succeeded in becoming paramount chief of the district. As a result he was exceedingly unpopular with the natives whom he governed, principally, it is stated, in his own interests. It is also claimed that a large portion of the domain ruled by Mambu originally belonged to the eight chiefs who were executed; and their relatives, one of whom is Bumbo-koli, swore vengeance. The Liberian Government desired to have Mambu and Bumbo-koli come to Monrovia and present their respective grievances, with a view to composing their difficulties and pacifying that section of the country over which they ruled. It is said that Mambu was on his way to Monrovia, in compliance with the request of the Government, when he was captured and killed.

The foregoing is the bare outline of a situation which, in my opinion, will call for very energetic treatment on the part of the Government to prevent a native disturbance which might easily assume considerable proportions. This matter is further complicated by the presence in the disturbed area of Liberian commissioners representing the Government who have apparently allied themselves on opposite sides of this question. One is constrained to feel that the Government has been particularly unfortunate in the choice of the commissioners who are operating in the affected territory, * * * and it is not unlikely that the case under discussion has in it the germ of more difficulties between the Liberian and Sierra Leone Governments. Two of the best Liberian lieutenants in the Frontier Force service are in the district with 100 men, but it appears that they are not able to cope with the situation.

Major Young had expected to send Major Ballard into this section of the country as soon as he could leave River Cess, but now that Major Young's health has broken down it will undoubtedly be necessary for Major Ballard to remain at Monrovia as the administrative officer, and Captain Hawkins will perhaps go to the Sierra Leone-Liberia boundary. Captain Newton is in the Cavalla River district, where it looks as if conditions will require that one American officer be permanently stationed. The Sierra Leone boundary will require

another, and the Kru Coast between Bassa and Sinoe will need the third. Indeed, it is asserted that the Kru Coast has only been subdued on account of the wholesome fear the natives have of Major Ballard and it is anticipated that as soon as he leaves that station and puts a Liberian officer in charge there will be trouble again.

This leads me to express an opinion which I have entertained for some time, in which the Military Adviser and the General Receiver of Customs concur. In view of the failure of the Liberian Government to furnish proper material out of which to make competent officers, and, further, because of the actual scarcity of such material in the country, I feel that at least two more American officers will have to be obtained. If not, the three men already in the service will be overworked and not accomplish the task assigned them. I need not dwell on the severity of this climate on persons alien to the country. The job is too big for any three men in the world when one considers, along with all other factors, how little effective assistance Liberia herself is rendering. To attempt to disguise this truth is to defeat all proper measures of reorganization.

It is hoped that this matter will receive some attention before Major Young goes on leave, and if the Liberian Government agrees to the engagement of two more American officers, and the General Receiver of Customs thinks the finances will warrant his becoming responsible for their salaries, it is likely that an effort will be made to secure them. Major Young has stated that he thinks he can obtain two good men to serve as first lieutenants for $1400.00 each per annum. If this additional help can be secured a very effective Frontier Force can be maintained, whether the Liberian Government furnishes any efficient material for officers or not.

At an early date some working arrangement will have to be established for correlating the functions of the Liberian Frontier Force officers and the interior commissioners. Hitherto officers and commissioners have been one and the same person, but with the passing of the Frontier Force under American officers the old system has been discontinued and nothing has as yet been done to provide for the altered conditions. The situation can easily prove a fruitful source of vexatious questions.

These problems, and many others that I might mention, cause me to deplore the necessity of Major Young taking a leave of absence at this time on account of his broken health. If it had been possible for him to have remained at work without interruption for a few months longer, a very orderly and systematic condition of affairs would have been evolved from what heretofore has been a chronic state of confusion and chaos.

I have [etc.] RICHARD C. BUNDY.

File No. 882.00/482.

The American Chargé d'Affaires to the Secretary of State.

[Extract.]

No. 121.] AMERICAN LEGATION,
Monrovia, July 7, 1913.

SIR: I have the honor to report, for the information of the Department, that Captain Newton, one of the American officers, has just ar-

rived at Monrovia, and reports that the town of River Cess, on the Kru coast, was attacked on June 30, at 2 a. m., by a force of rebellious natives estimated at three or four hundred.

River Cess was garrisoned by a force of about eighty Frontier soldiers under a Liberian officer. It will be remembered that this is the same town and district which Major Ballard has held in subjection for the last five or six months. When Major Young was compelled to take leave it became absolutely necessary to have Major Ballard come to Monrovia, and take over the administrative work Major Young had given up.

I stated in my No. 110 of May 15, 1913, that "the Kru coast has only been subdued on account of the wholesome fear the natives have of Major Ballard, and it is anticipated that as soon as he leaves that station and puts a Liberian officer in charge there will be trouble again." This forecast has been literally fulfilled within less than five weeks after Major Ballard left River Cess.

It was by the merest chance that Captain Newton was at River Cess at the time of the attack. He had gone there for the purpose of paying the troops stationed at that post, and intended to proceed immediately to his own station on the Cavalla river. Apparently the natives did not know of his presence, which is regarded here as having saved the situation. * * * The Kru natives have profound contempt for Liberian officers, and know of their lack of stamina and military skill. * * * Contact with German merchants on shore, and German sailors and officers aboard ship has made them very untractable. The Liberian Government has actually never had more than nominal control over several of the large towns on the Kru coast. * * * This cannot be remedied until the Receivership can get a revenue cutter. Once these towns are subdued and governmental authority well established there, they will contribute large revenues to the Republic. But this is a task of no mean size. The Frontier Force is at present far too small to undertake this work and for the time being will doubtless have to confine itself to the preservation of order as best it can.

The present situation on the Kru coast again demonstrates the point I have called to the Department's attention in some of my recent despatches, that three American officers are not enough to deal with present conditions in Liberia. To keep order American officers are necessary on the English boundary, the French boundary, the Kru coast, and at one or two important points in the interior. Moreover, at least one American officer will have to be permanently stationed at Monrovia, to conduct the administrative work and prevent hopeless confusion and inefficient handling of funds. Obviously, this is too much for three men.

Another serious question is likely to arise out of this last attack on River Cess. During the fight, I understand, the houses and stores of the foreign merchants were shot into by the Kru natives. I have not heard that any foreigners were injured; but the incident will very probably be used to make good the previous assertions of the German merchants at River Cess that their life and property are not safe at that place.

I have [etc.]

RICHARD C. BUNDY.

File No. 882.00/486.

The American Chargé d'Affaires to the Secretary of State.

No. 134.] AMERICAN LEGATION.
Monrovia, September 27, 1913.

SIR: I had the honor to report to the Department somewhat at length in my No. 110 of May 15, 1913, concerning the disorder which existed among the native tribes that occupy Liberian territory adjacent to the Sierra Leone-Liberia boundary. I regret to inform the Department that from reports which have recently reached Monrovia it would seem that conditions have gotten worse in this section of the country instead of better.

The specific causes which have led up to the present state of affairs are so obscured in a mass of conflicting reports from the Liberian commissioners operating in the affected district, which are conspicuous for apparent inaccuracies, petty jealousy, rivalry, spite and venality, that I seriously doubt whether the Government itself has a correct understanding of the situation. In a general way it seems that the root of the difficulty may be found in the untrustworthiness of the commissioners which the Government has appointed to look after its affairs in the boundary districts. The proper supervision of native tribes that dwell in Liberian territory contiguous to the Sierra Leone-Liberia boundary is one of the most pressing problems before the Republic, and is destined, if not speedily and satisfactorily solved, to involve the Liberian Government in controversies with the Colonial Government of Sierra Leone that may have far-reaching consequences.

The Liberian Government lives in constant fear of aggressive acts and encroachments upon its territory by the Sierra Leone authorities, and yet it seems to me that very little care is exercised to keep down contentions and disorders which could easily furnish plausible excuses for additional aggressions by officials of the Sierra Leone Government. In a recent conversation with the British Consul General, conditions along the Liberian side of the border were represented to me as being very grave. He stated that the whole population of a large and populous district was in revolt, and many chiefs with their retainers had fled into Sierra Leone for protection and safety. The Consul General unhesitatingly blamed the maladministration of Liberian officials for the disorders and sought to leave with me the impression that the situation was hopeless. However, he took great pains to deprecate the suspicion entertained by the Liberian Government, which apparently had come to his knowledge, that there were ulterior motives back of the strong representations which I understand he has been making concerning conditions on the boundary. As if to remove any doubt that might have lodged in my mind respecting the matter, he earnestly assured me that there was not the slightest desire on the part of the British Government to acquire any of the territory now recognized as Liberian. But he did not tell me, what I subsequently learned from the Secretary of State, that the Government was being urged to accept a proposition that would permit the disgruntled natives to throw off their allegiance to Liberia

and become British subjects. Great emphasis was laid on the immediate necessity of restoring order, and the Consul General gave it as his opinion that the task would be altogether too great for the Liberian troops now stationed along the border. These number some two hundred and fifty men, who are under the command of Captain Hawkins, one of the American officers. It is admitted that he and his detachment have been and are doing good work, but the distracting activities of the commissioners among the natives have kept up such a turmoil that much of the good that Captain Hawkins could otherwise have accomplished has been nullified by their presence. The intimation was also dropped by the Consul General that the Sierra Leone Government was willing to use its police force to assist in the work of pacification, and from what was said one might readily infer that the next step would be to insist that the use of the Sierra Leone police force had actually become necessary.

From the General Receiver I have learned that the Collector of Customs, A. D. Thomas, at Laingedue, an interior station on the Sierra Leone-Liberia boundary, was killed and the customs house looted by rebellious natives in the early part of September. This incident is also a reflex of the same boundary disorder.

The delimitation of the Sierra Leone-Liberia boundary has been in progress since March of the current year and is now, I understand, practically completed. Mr. James G. B. Lee, an American of New York City, who has represented Liberia on the Delimitation Commission, has apparently given general satisfaction to the British and Liberian Governments by his work. There are a few undetermined questions remaining which are, I am informed, in process of adjustment. The presence of Mr. Lee on the boundary has been very helpful in preventing the native disorders from assuming far greater proportions. It seems that Captain Hawkins and Mr. Lee have both succeeded in inspiring respect for their personal worth on the part of the British officials with whom they have come in contact. More men of their kind could undoubtedly unravel for the Republic the muddle existing on the boundary. But I very much fear that there are no Liberians of this quality who are likely to become interior commissioners, while the Americans in the employ of the Government at this time are too few to admit of sending even one more officer from their number to the Sierra Leone frontier.

The long-continued practice of sending weak, arbitrary, venal agents to the interior and boundaries to perform the functions of Government for their superiors, who remain constantly at Monrovia playing petty politics, will have to cease or disaster will overtake the Government. Just what the Government will do to rectify conditions that have brought about the present revolt along the Liberian side of the border, remains to be seen. Until now its efforts have been confined to talk.

I have [etc.]

RICHARD C. BUNDY.

File No. 882.00/487.

The Secretary of State to the American Chargé d'Affaires.

No. 62.] DEPARTMENT OF STATE,
Washington, November 18, 1913.

SIR: The Department has received your No. 134 of September 27, 1913, relative to the disturbances which exist among the native tribes occupying Liberian territory adjacent to the Sierra Leone-Liberia boundary, and in reply informs you that it is the hope of the Department that every earnest effort possible will be made by the Liberian Government to restore order in that region. The British Government has cooperated heartily with the Government of the United States throughout the long loan negotiations and it would be most regrettable should Liberia not be able to cope with the situation and force Great Britain to take drastic measures to ensure peace in its possessions along the Liberian frontier.

I am [etc.]

For the Secretary of State:
J. B. MOORE.

TRANSFER OF THE DONOVAN TRUST FUND TO THE LIBERIAN GOVERNMENT BY THE AMERICAN COLONIZATION SOCIETY.[1]

File No. 882.42/2.

The Secretary of State to the President of the American Colonization Society.

DEPARTMENT OF STATE,
Washington June 27, 1911.

SIR: I transmit herewith copy of a communication which has been received from Mr. Ernest Lyon, Liberian Consul General in this city, in which he states that he has been informed by you that there is $60,000 in the custody of the American Colonization Society belonging to the Government of Liberia and that in following out a resolution passed by the Society the President of Liberia has been requested to designate an officer of the Department to approve the account of your Society for the Donovan Fund, to receive the balance due, and give proper acquittance to the Society.

The Department will be glad to be fully advised upon the subject of Mr. Lyon's letter in order that the matter may receive proper consideration.

I am [etc.]

P. C. KNOX.

[Inclosure.]

The Liberian Consul General to the Secretary of State.

LIBERIAN CONSULATE GENERAL,
Baltimore, June 12, 1911.

SIR: By direction of the President of Liberia, I have the honor to inform your excellency that the President of the Colonization Society at Washington,

[1] See reference to this subject in the message of the President of Liberia, ante.

D. C., has notified him that there is a balance of sixty thousand dollars in the custody of the Society belonging to Liberia, which he is ready to turn over to the proper authorities. The Colonization Society, unaware of the presence of a representative for Liberia at Washington, has by resolution requested the President of Liberia to "designate some officer of the United States Department to approve the account of the American Colonization Society for the Donovan Fund, to receive the balance due, and to give a proper acquittance to the Society."

In compliance with the Society's request, I have been instructed by the Liberian Government to request your excellency to designate such an officer, to act in the manner suggested in said communication. The service of said officer and any other expenses arising therefrom will be a proper charge against the fund. I have been instructed further to sign all agreements with the State Department and the Society necessary to carry out their intention, in order to secure to Liberia the amount now due her.

Dr. Johnson, the President of the Society, has informed me that he will be leaving the United States in a few days and will be absent for some months; therefore respectfully requests that action be taken before his departure.

With the assurance of a favorable reply, I have [etc.]

ERNEST LYON.

File No. 882.42/6

The Liberian Consul General to the Secretary of State.[1]

LIBERIAN CONSULATE GENERAL,
Baltimore, September 27, 1911.

SIR: I have the honor to request that the inclosed, which are copies of original instructions now in my office, be filed with previous communications sent to the Department, touching the accrued Donovan Fund, now in the possession of the Washington Colonization Society, and for the settlement of which we have asked the State Department to lend us, or to designate, one of its accountants to audit the Society's accounts, in order that it may be given acquittance.

I shall be glad to learn if the Department has favorably considered the request.

I have [etc.]

ERNEST LYON.

[Inclosure 1—Telegram.]

The General Superintendent of Public Instruction of Liberia to the Liberian Consul General at Baltimore, Maryland.

MONROVIA, *July 17, 1911.*

Department Education authorises you agent Donovan Fund.

BARCLAY.

[Inclosure 2.]

The General Superintendent of Public Instruction of Liberia to the Liberian Consul General at Baltimore, Maryland.

MONROVIA, *July 24, 1911.*

SIR: Confirming my telegram of the 17th instant I have the honor to hereby appoint you agent of the Department of Education with full power to conclude all necessary arrangements with the American Colonization Society with reference to the Donovan Funds.

I have [etc.] [BARCLAY.]

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[1] Acknowledged Oct. 7, 1911, by the Acting Secretary of State, Mr. Adee. File No. 882.42/6.

File No. 882.42/9.

The Acting Secretary of State to the President of the American Colonization Society.

DEPARTMENT OF STATE,
Washington, October 7, 1911.

SIR: Your attention is invited to the Department's letter of June 27 last, enclosing copy of one received from Mr. Ernest Lyon, the Liberian Consul General at Baltimore, relative to the payment to the Liberian Government of the accrued Donovan Fund, for the purpose of which the Department has been asked to designate an official to approve the Society's accounts, to receive the balance due, amounting to about $60,000, and to give the Society proper acquittance. No reply has been received by the Department to this letter of June 27, 1911.

From the files of the Department it appears that on February 20, 1909, you wrote to Mr. Robert Bacon, then Secretary of State, to the effect that the American Colonization Society had approximately $22,000 which was available for educational purposes of the public schools of Liberia, and an annual income of about $3,500 which, under certain conditions, might also become available for the same purpose. To insure this money being applied to the specific purpose mentioned by you, it was suggested by you that the funds be received by the Department and by it transmitted to the American Minister at Monrovia subject to the order of the Superintendent of Public Instruction of Liberia to be expended solely for educational purposes of the public schools and that in the event of doubt and misunderstanding arising in connection with the expenditure or disbursement of the moneys thus transmitted, all such questions should be submitted by the American Minister to a committee of three, composed of himself, the Secretary of State of Liberia, and the Superintendent of Public Instruction. Your proposal was referred to the Liberian Government through the American Minister at Monrovia who, in reply, forwarded to the Department copy of a note from the Liberian Minister for Foreign Affairs suggesting certain modifications to your proposition. It appears that a copy of this despatch from the American Minister at Monrovia, with its enclosure, was transmitted to you in a letter dated May 14, 1909, which was addressed to you at 1821 Jefferson Place, but that no reply has been received to that letter.

The Department now transmits copy of a recent letter which has been received from Mr. Ernest Lyon[1] enclosing copy of a telegram and a letter from the General Superintendent of Public Instruction of Liberia, appointing him agent of the Department of Education of that Republic with full power to conclude all necessary arrangements with the American Colonization Society with reference to the Donovan Fund.

I am [etc.]

ALVEY A. ADEE.

[1] The letter of Sept. 27, 1911, printed ante.

File No. 882.42/7.

The President of Liberia to the Secretary of State.

[Telegram.]

MONROVIA, *October 22, 1911.*

Consul General Lyon authorized receive Donovan fund and release Society.

PRESIDENT BARCLAY.

File No. 882.42/11.

The Consul General of Liberia to the Secretary of State.

LIBERIAN CONSULATE GENERAL,
Baltimore, August 12, 1912.

SIR: At the request of the American Colonization Society, Washington, D. C., I am instructed to leave with the State Department the duplicate of documents demanded by the Society necessary for the settlement of the Donovan Fund, which is now held for Liberian public education.

I have [etc.]

ERNEST LYON.

[Inclosure.]

To all to whom it may concern, but in particular to the Trustees of the American Colonization Society, Washington, D. C., United States of America:

Know ye by these presents:

That, Whereas Caroline Donovan, late of the City of Baltimore, State of Maryland, in the United States of America, deceased, by her last will and testament did give and bequeath unto the Republic of Liberia for the maintenance of public schools in Liberia, a legacy, the principal and interest accruing thereon amounting to the sum of sixty-five thousand five hundred and eleven dollars and eleven cents ($65,511.11) to be paid unto the said Republic of Liberia, said amount being in the hands of the American Colonization Society of Washington, D. C., United States of America, and,

Whereas, the Government of Liberia has enacted a law creating a Board of Education (a copy of which law is hereto attached),[1] at the head of which board is the Honourable B. W. Payne, Secretary of Public Instruction, and which board is the custodian of all public school funds.

Now therefore, know ye: That I, B. W. Payne, Secretary of Public Instruction of the Republic of Liberia, for myself and on behalf of the Board of Education, by the power vested in me by the vote of said board taken, have made, constituted and appointed, and by these presents do make, constitute and appoint the Honourable Charles B. Dunbar of the City of Monrovia, and Dr. Ernest Lyon, Consul General of the Republic of Liberia to the United States of America, our true and lawful attorneys, for me, and in behalf of the Board of Education, in our name and for our use and benefit, under the law governing the same, to ask, demand and receive of and from the American Colonization Society of Washington, D. C., United States of America, the legacy given and bequeathed unto the said Republic of Liberia by the said will of the said Caroline Donovan as aforesaid; and upon receipt thereof, or payment thereof to our attorneys, of the full amount as aforementioned with the interest accruing thereon, I do authorize them to approve the account, give the proper and full receipt and release for the money as they may see proper and fit to do so.

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[1] Not printed.

Giving our said attorneys full power to do everything whatsoever requisite and necessary to be done in the premises, as fully as we could do if personally present, hereby ratifying and confirming all that our said Attorneys shall lawfully do, or cause to be done by virtue hereof.

In witness whereof I have hereunto, for myself in behalf of the Board of Education in Liberia, set my hand and seal this 13th day of July in [SEAL.] the year of Our Lord, one thousand nine hundred and twelve, and of the Republic the sixty-fifth.

B. W. PAYNE,
Secretary of Public Instruction.
For and in behalf of the Board of Education in Liberia.

File No. 882.42/11.

The Acting Secretary of State to the President of the American Colonization Society.

DEPARTMENT OF STATE,
Washington, August 20, 1912.

SIR: In compliance with the request of Doctor Ernest Lyon, Liberian Consul General at Baltimore, Maryland, I am transmitting herewith certain authenticated documents[1] which he states have been required by you as proper authority for the American Colonization Society to turn over to Mr. Charles B. Dunbar and Doctor Lyon as attorneys to receive the fund from the hands of the Society.

I am [etc.]

ALVEY A. ADEE.

File No. 882.42/19.

The President of the American Colonization Society to the Secretary of State.

WASHINGTON, *October 7, 1913.*

SIR: I have the honor to inform you that the Donovan Trust Fund, which has been the subject of correspondence between your Department, the American Colonization Society and the Liberian Government, was satisfactorily adjusted this day, by payment in full by the Society of the sum of $65,511.11, to Consul General Lyon, who is duly authorized by the Liberian Government to receive the fund and give an acquittance to the Society.

Respectfully,

H. L. E. JOHNSON.

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[1] Inclosure to the next above.

MEXICO.

MESSAGES OF THE DE FACTO PROVISIONAL PRESIDENT, VICTORIANO HUERTA, READ TO THE CONGRESS APRIL 1 AND SEPTEMBER 16, 1913.

File No. 812.032/14.

The American Ambassador to the Secretary of State.

No. 1916.] AMERICAN EMBASSY,
Mexico, April 2, 1913.

SIR: I have the honor to transmit herewith in duplicate the official copy of the Report of the Citizen President of the Republic to the Second Session of the 26th Congress of the United Mexican States, as well as a translation of the same in duplicate taken from the Mexican Herald of this morning.

I have [etc.] HENRY LANE WILSON.

[Inclosure—Translation—Extract pertaining to foreign relations.]

Public attention has been occupied greatly by the public disorders which have occurred during the last six months, since they might have had influence in some manner on the cordial relations which up to date we have maintained with foreign nations.

As a matter of fact the criminal depredations committed in various parts of the Republic by armed groups which have placed themselves outside the law, committing acts now of rebellion, now of brigandage, have brought about, on the part of victims of foreign nationality, claims against the Mexican Government, directed by the representatives of their respective nations. The form in which the claims have been presented has in no wise inspired any doubt or the least fear that our relations of friendship with foreign nations could suffer any alteration from this cause. Prudence, discretion and serenity have been characteristic of the conduct of the diplomatic agents accredited to Mexico in taking up these affairs, showing once more the esteem which their Governments and they themselves have for our country.

The Mexican Government, anticipating the investigation ordered by the American Congress to fix and estimate the personal damages caused by the revolution of 1910 by citizens resident in El Paso, Texas, and Douglas, Arizona, ordered two of its consuls to compile with the greatest zeal the data for the appraising the real damage and to set the amounts of indemnities which should be forthcoming. The result was that only eleven persons presented claims in El Paso and six in Douglas, for injuries received, in some cases because of acts imputable to their own negligence or their impertinent curiosity to witness a battle. In equity and in view of the damages suffered, indemnities were fixed, the amounts of which were similar to those fixed by the American courts and by the Mexican and American chancelleries in cases where the damages, in part at least, are the fault of the victims. The matter is not yet ended due to the exaggerated pretensions of those interested, who have thought to find in the commission appointed by the American Congress an unconditional support.

File No. 812.032/15.

The American Chargé d'Affaires to the Secretary of State.

No. 2060.] AMERICAN EMBASSY,
Mexico, September 17, 1913.

SIR: For the information of the Department, I have the honor to transmit herewith the original text of the message read by the Provisional President of the United Mexican States, at the opening of

Congress last night. I also transmit herewith a clipping from the Mexican Herald of today which contains the translation thereof.

I have [etc.]

NELSON O'SHAUGHNESSY.

[Inclosure—Translation—Extract pertaining to foreign relations.]

The fratricidal struggle that has been exhausting us is fortunately near its end, due to the efforts of the glorious Federal Army, any praise of which is too little. Besides this struggle the tension of our diplomatic relations with the Government of the United States of America, although fortunately not with that people, have caused us to suffer more than one disappointment that we did not merit from that source and has retarded the complete pacification of the Republic. As this matter is of such a delicate nature and as I have already informed the Permanent Committee and the whole nation of the still uninterrupted state of negotiations, I have only to add that the Government with reason expects soon to see settled the differences that today keep in suspense the friendship that unites us to that powerful and civilized neighbor.

Notwithstanding the very delicate circumstances in which the country has been placed, and to which I will refer in the proper place, our foreign relations have not suffered, and, far from becoming strained, they have been characterized by a more cordially amicable tendency since the country began to emerge from its great revolutionary crisis.

Among the international questions awaiting settlement there are some that have arisen of late on account of the revolutionary conflict and others of an earlier date, which for various reasons had not been settled. To both, the Executive has devoted special attention, the desire being that the Department of Foreign Relations develop an activity commensurate with the urgency that exists at the present time that all questions in which friendly governments are interested be promptly despatched.

The Executive hopes that Mexico will be able to give the most solid guaranties of its good will to the nations with which she is bound by ties of friendship and interest, and she on her side will do her best to the end that all delicate questions pending in our chancellery may soon be disposed of, while upholding, as is right, before all things, the honor and interests of the nation, in accordance with adequate precepts of international law. To this end certain projected conventions will shortly be submitted to the Senate, the general terms of which are the subject-matter of negotiations which have been initiated in a friendly spirit.

POLITICAL AFFAIRS—ASSASSINATION OF PRESIDENT MADERO AND VICE PRESIDENT PINO SUÁREZ; SEIZURE OF THE EXECUTIVE POWER BY GENERAL HUERTA COOPERATING WITH GENERAL FELIX DÍAZ; DICTATORSHIP OF HUERTA; IMPRISONMENT OF OPPOSITION DEPUTIES AND NULLIFICATION OF PRESIDENTIAL ELECTIONS; SUPPRESSION OF DÍAZ; UPRISING OF CONSTITUTIONALISTS UNDER VENUSTIANO CARRANZA. MEASURES TAKEN BY THE UNITED STATES ON THE BORDER AND IN MEXICAN WATERS; MEASURES TAKEN BY THE DIPLOMATIC CORPS TO PROTECT THE LIVES OF FOREIGNERS.[1]

File No. 812.00/5823.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, January 7, 1913—6 p. m.

The substance of my analysis of the situation, made since my return,[2] is as follows:

I regard the whole situation as gloomy if not hopeless. Armed revolution against the Government has for the moment sensibly di-

[1] Continued from For. Rel. 1912, pp. 708–878.
[2] Mr. Wilson resumed charge of the Embassy on January 5.

minished, but one or more revolutionary movements may at any time be dangerous to the Government, already suffering from universal unpopularity. In the north the revolution exists only in the States of Durango and Chihuahua; violence elsewhere is simply brigandage. In the south the States of Mexico, Michoacán, Guerrero, Morelos, and parts of Oaxaca, Puebla and Vera Cruz are practically in revolt against the Government and brigandage is existent everywhere.

The Government is making frantic efforts to borrow, but the German and French Ministers have made cautionary representations to their Governments, and success would appear problematical. Unless an unexpected change occurs a crisis will be inevitable.

The strike on the National Railways is at present the gravest situation the Government has to deal with, as suspension would bring about intolerable conditions. Unless this difficulty is arranged within two or three days all communication throughout the Republic, except by the Mexican Railway, will be suspended and thousands of men added to the forces of disorder.

WILSON.

File No. 312.112F821/9.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, January 11, 1913.

Francisco Villa is reported in the local papers to be in El Paso.[1] Villa was a former Federal leader and ex-bandit who has been in prison in Mexico City for the murder of Fountain and for other anti-American activities, as a result of the Embassy's representations last spring.

WILSON.

File No. 812.00/5865.

The American Consul at Vera Cruz to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN CONSULATE,
Vera Cruz, January 14, 1913.

I have received information, which I believe to be reliable, and which I am sending also to the Embassy, to the effect that Madero Government plans sham revolutionary uprising in Vera Cruz in order to kill Felix Díaz and his companions in prison and to make it appear they were killed accidentally or to be justified in shooting them immediately afterwards. As this uprising may be started at any moment my aid was solicited for the good name of the country. If our Government would promptly adopt such measures as would prevent this act it might be prevented if the Embassy should tell Madero the intended plot was known; the information might also be

[1] Confirmed on January 14 by the American Consul at Ciudad Juárez. File no. 312.11F821/10.

given to the press by the Department. The presence of a cruiser might also have a beneficial effect. I have sent a duplicate of this telegram to the Embassy.

CANADA.

File No. 812.00/5867.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, January 14, 1913—5 p. m.

The dangerous situation at Acapulco would indicate necessity for prompt and adequate protection on our part of American and foreign interests. I recommend the immediate sending of war vessels adequate to meet the situation, with instructions to remain in those waters and not to be withdrawn except after consultation with the Embassy. I have meantime requested British Chargé d'Affaires to detain English gunboat *Shearwater* until our Government shall have taken action.

WILSON.

File No. 812.00/5856.

The Secretary of State to the American Ambassador.

[Telegrams—Paraphrases.]

DEPARTMENT OF STATE,
Washington, January 14, 1913—6 p. m.

U. S. S. *Denver* has been ordered to-day to proceed at once to Acapulco and will arrive there on or about 21st instant.

Lay the situation before the Mexican Foreign Office and inform that office of the arrival of the *Denver*.

KNOX.

File No. 812.00/5865.

DEPARTMENT OF STATE,
Washington, January 16, 1913—2 p. m.

Consul Canada's telegram January 14 to you. You may inform the Mexican Government that this report has reached both the Department and the Embassy; while deprecating its authenticity, point out the peculiar criminal and dastardly character of such a procedure; say how detrimental it is to the Mexican Government for anyone to circulate such rumors; indicate that a vigorous effort to apprehend and to punish those responsible for them would seem to be in order.

Telegraph the Department your opinion as to sending a war vessel to Vera Cruz.

KNOX.

File No. 812.00/5887.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, January 17, 1913—6 p. m.

Action on Department's January 16, 2 p. m., will be taken tomorrow. Mr. Lascurain declined to see anyone today. General Beltrán, in command at Vera Cruz, and Commander Azueta, in charge of the arsenal there, have been removed.

I have instructed Consul Canada to again advise Department if he believes a war vessel necessary at Vera Cruz.

WILSON.

NOTE.—On January 18 the Ambassador submitted a draft note embodying his own idea of the representations that should be made to Mexico. This paper is printed under "Protection of American life and property in Mexico," to which subject the draft note is directly related. See p. 886.

File No. 812.00/6019.

The President's Secretary to the Secretary of State.

THE WHITE HOUSE,
Washington, January 30, 1913.

DEAR MR. SECRETARY: The President directs me to send you for attention the enclosed copy of a telegram from Governor Colquitt.

Sincerely yours,

CHARLES D. HILLES.

[Inclosure—Telegram.]

The Governor of Texas to the President.

AUSTIN, TEXAS, *January 30, 1913.*

Am advised that one thousand rebels under Salazar surrounding Juárez, prospective battle in forty-eight hours. Will you kindly direct necessary steps be taken to prevent firing into El Paso. Please answer.

O. B. COLQUITT.

File No. 812.00/6019.

The Acting Secretary of State to the Governor of Texas.

[Telegram.]

DEPARTMENT OF STATE,
Washington, January 31, 1913.

Your telegram January 30 addressed to the President referred to this Department. Immediately upon receipt of your message the

War Department was requested to renew to the General in command at El Paso the general precautionary instructions relative to notifying the leaders of the Federal and insurrectionary forces at Ciudad Juárez that in any engagements that might occur between them there must not be any firing which would result in the passage of bullets across the international boundary line, and such orders were sent by the War Department last night. The attention of the Mexican Government had already been called to the situation.

HUNTINGTON WILSON.

File No. 812.00/6068.

The American Ambassador to the Secretary of State.

[Extract.]

AMERICAN EMBASSY,
Mexico, February 4, 1913.

MY DEAR MR. KNOX: Upon resuming my duties at this post after an absence of two months[1] I find practically the same conditions existing that prevailed prior to my departure. The area of the armed revolution against the Government appears to have sensibly diminished in the north, but at this moment there are abundant indications of a resumption of formidable revolutionary activities in the States of Chihuahua, Durango, Coahuila, Nuevo Leon, and Zacatecas. The peace negotiations which recently took place were, in the opinion of this Embassy, initiated by the revolutionists for the purpose of gaining time to cement various alliances and to complete their shipments of arms and ammunition across the border.

The area of the revolutionary movement in the south continues to be about the same as hitherto, though the scene of activity is constantly changing. To such a degree is it apparent that the Federal troops, either through inactivity or disloyalty or for the purpose of prolonging a situation from which their officers reap unusual pecuniary benefits, are unable to dominate the situation that I am reluctantly forced to the conclusion that hope of the procurement of improved conditions in those States is illusory and that not only will the revolutionists continue to maintain a reign of terror and destruction over this vast section of country, but that they will eventually extend the theater of their operations over the whole of the States of Vera Cruz and Puebla.

There are periods of activity when the whole country, from the Pacific to the middle of the State of Vera Cruz, seems to be alive with revolutionists, and when the Federal Government seems to be utterly unable to cope with the situation. Following this there is frequently a considerable period of inactivity during which widespread brigandage prevails, but apparently no organized movement of revolutionary troops. After a long study of this peculiar phenomenon I have come to the conclusion that the periods of activity follow immediately upon the procurement and distribution of additional arms and ammunition, and that when these are exhausted activity ceases and insincere negotiations for peace are initiated.

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[1] Mr. Wilson resumed charge of the Embassy on January 5.

As time goes on it becomes more and more evident that the prime cause of the failure of the Government to more thoroughly dominate the revolutionary situation in the north and in the south is due to the hopeless state of the Federal army, which is rapidly losing the morale and discipline it possessed under the Diaz régime is torn by intrigues and dissensions and united only in its contempt and dislike for the present Government.

While the almost hopeless condition of disorder which exists in the country might be expected to wholly absorb the Government's energies and resources it has other grave and even menacing problems, the most pressing of which, and one indeed that is undermining the already weak foundations of the Madero administration, is the economic situation which is hourly assuming more threatening proportions. Over one-third of the States of the Republic a revolutionary movement has now been in progress for two years and not only have those identified with it been idle and nonproducers but the prevalent lawnessness and conditions of anarchy which have resulted from their activities have deterred a vastly greater number of industries and law-observing people from the pursuit of their usual occupations. The revolutionary elements in control of those vast sections which ordinarily constitute valuable sources of and contributors to the nation's prosperity, instead of being producers of wealth, are not only consumers of the fruits of toil but also destroyers of the sources of supply. Thus an enormous number of haciendas are standing idle for want of cultivation, their improvements destroyed, and their owners frequently either in exile or in refuge in urban centers. The gravity of the situation thus produced is vastly increased by the immense and constantly increasing destruction of railway properties and the interruption of railway communication, thus depriving the unmolested planters, manufacturers, and miners of the facilities for marketing their products and of the means essential to the carrying on of their business. The number of mines which have been closed down because of these conditions can not be accurately estimated, but it is undoubtedly very great. These conditions, supplemented by many others which need not be cited here, have greatly disturbed and demoralized the financial and banking interests of the Republic and have resulted not only in a general stringency and curtailment of credits injurious to commerce and trade but have threatened the very life of these institutions. Attention might here be called to the circumstance that no less than nine States of the Republic are at this moment virtually in a state of bankruptcy; some of them because of a disparity between their incomes and ordinary expenditures, and some of them because of the indebtedness accumulated by profligate and dishonest administrators. Some of these States are now appealing to the Federal Government for relief and I anticipate that their number will increase as time goes on.

While the country at large is being overwhelmed by the stress of the financial situation the Government naturally has not been without its troubles. The sound condition of the public finances and the large reserves stipulated by the country's financial obligations, which existed at the time of the downfall of the Government of General Díaz, have given place to disorder and a dissipation, through unknown but presumably, in some instances, corrupt channels, of the treasures

which a wise and thrifty Government had accumulated. Its acute distress has led the Government to resort to all sorts of quack economic remedies, like the imposition of unusual tariff duties and the taxation of the raw products of the country, while at the same time it is imperiling its good name in the financial world by attacking and appropriating those sacred reserves to which the honor of the nation is pledged. It is obvious that the conditions which have heretofore been recited could not prevail without bringing in their train high prices, food scarcity, and great distress. These conditions already exist in Mexico City, and reports from the interior indicate corresponding conditions.

Confronted by the intolerable conditions which exist throughout the country, the administration of President Madero remains impotent to remedy or offer any solution for the rapidly accumulating dangers. The Cabinet is divided into warring factions of radically conflicting views, all of which are absorbed in petty intrigues and liliputian politics which have little to do with the salvation of the country or the restoration of national prestige at home or abroad. The kind of government that must necessarily be evolved out of a situation like this could not be otherwise than that which exists, viz, one that is impotent in the face of domestic ills and disorders and truculent, insolent, and insincere in its international relations. A Government which came into power with an altruistic program, and with party pledges of a free press, free elections, free education, and the division and distribution of great estates finds itself, after a period of a little more than a year, in a position of not having accomplished any of its high-sounding measures for the relief of the Mexican population but responsible for the sacrifice of thousands of human lives, the destruction of vast material interests, aggravation in the condition of the poorer classes, for unspeakable barbarities, and for desolation and ruin over a third of the area of the Republic. Liberty of the press does not exist either in fact or pretense. In the matter of free elections, which constituted so important a feature of the revolutionary program, the attitude of this Government has been a travesty and a disappointment even to those who did not accept the revolution with enthusiasm. Hardly had the new Government been seated in power until it began, by intrigues in some cases and by the exercise of force in others, to interfere in State elections, deposing some governors and imposing others. This policy it has continued to the present day, the recent uprisings in the States of Tlaxcala and Puebla being consequences thereof. The Government also actively interfered in the election of Delegates and Senators to Congress, but as its local organizations were imperfect and as there is very little loyalty felt in the Provinces toward the administration the Congress remains, and is rapidly growing more, independent. In the matter of free education and the division and distribution of great estates, which constituted an important part of the pledges of the new administration to the people, nothing has been done, and as the present tendencies of the administration are in the direction of force and repression, and as it regards with undisguised suspicion those same elements of population to which it owes its elevation, it is highly improbable that anything will be done. At the present moment, in the capital, the situation is marked by an infinite

number of intrigues and political deals, by an intolerance on the part of the Government of free thought and free speech, by a wide system of espionage which marks and dogs the steps of every important public man not in accord with it, by deception and misrepresentation as to the actual conditions obtaining throughout the Republic, and by aspersal of the motives of all those who have the independence and courage to criticise it and demand a more intelligent management of public affairs. This campaign of misrepresentation is being conducted on an extensive scale. The agents of the Government, both Mexican and American, official and secret, are constantly at work not only in Mexico but in the United States, and a part of their policy is not only to spread false impressions as to actual conditions but to discredit and impugn the motives of the consular and diplomatic representatives of our Government who, under instructions from the Department, are endeavoring faithfully to portray the conditions which exist and to recite the political and revolutionary events as they occur.

The President's speech, delivered to the diplomatic corps on New Year's Day, can leave very little doubt in the mind of anyone as to this administration's conception of its obligations to foreigners who have come hither with their energy and capital and have given to this country whatever of progress it has achieved and whatever of prestige it enjoys throughout the world. The public speeches of Mr. Calero, formerly Ambassador to Washington, in which he frankly admits the country to be on the verge of ruin and that he, under instructions from his Government, systematically falsified and misrepresented the situation in Mexico; the speech of Mr. Cabrera, leader of the Madero forces in Congress, in which he said that conditions in Mexico were being systematically misrepresented abroad by the Mexican Government; the reports of our consuls and of hundreds of resident Americans whose interests lie in peaceful conditions and the prevalence of order—all these are significant facts which must be fully estimated and must have that value attached to them which should pertain to impartial and disinterested testimony.

I am [etc.]

HENRY LANE WILSON.

NOTE.—The anti-Madero revolution begins in the correspondence with the following.

File No. 812.00/6056.

The American Ambassador to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN EMBASSY,
Mexico, February 9, 1913—2 p. m.

Revolt against Government has started. Felix Díaz and Reyes and other prisoners have been released. Reyes killed this morning while attacking National Palace, which is still in control of Madero, who is now holding Cabinet meeting there. Severe fighting in Cathedral Square in front of National Palace. Two hundred reported

killed and wounded. Díaz is said to have 3,000 troops. Schuyler has just returned from automobile trip through city and reports large but perfectly orderly crowds in main streets and heavy patrols of mounted police. People crying "Viva Díaz" and "Death to Madero." Hard attack being made on arsenal and barracks near Embassy.

At the request of the Diplomatic Body, I asked for adequate guard for all diplomatic agents, all of which have been entirely without protection, and also that all saloons and pulque shops be closed, and the Minister promised to take immediate action.

WILSON.

File No. 812.00/6058.

AMERICAN EMBASSY,
Mexico, February 9, 1913—7 p. m.

Felix Díaz sent an emissary this afternoon to ask me to urge Madero to resign in order to avoid unnecessary bloodshed. I stated that I was unable to take any action, as he had no credentials, and that I would not assume any responsibility except with the approval of the entire Diplomatic Corps. He went away and returned with credentials.

Meanwhile, I called together all chiefs of mission. It was decided that I should ask Minister for Foreign Affairs categorically whether the Government could or could not afford adequate protection to the foreign colonies. The Minister limited himself to saying that he would do all he could. My colleagues then authorized me to demand such protection from Díaz, and to inform him, in the name of the Diplomatic Corps, that he would be held responsible for the maintenance of order and the proper protection of foreigners.

Nothing has been done which would involve any recognition of Díaz nor embarrass our Government, which, however, should take prompt and effective action.

WILSON.

File No. 812.00/6951A.

The Secretary of State to the Secretary of Navy.

DEPARTMENT OF STATE,
Washington, February 10, 1913.

MY DEAR MR. SECRETARY: I have the honor to request that there be immediately despatched a battleship to Vera Cruz and a battleship to Tampico; that some vessel be sent to Mazatlan; and that the vessel now at Acapulco be detained there for the present, it being made clear to the commanding officers that the sole purpose of these dispositions is that they shall observe and report upon the situation particularly with reference to the protection being afforded foreigners and their interests; that it is of the first importance that there be created no impression of the slightest bias on the part of the Government of the United States as to which side shall gain the ascendancy; and that the naval dispositions herein requested represent no change whatever in the policy of the President but respond merely to the fresh necessity of great caution due to the extreme un-

certainty of the new conditions created by the uprising in the Mexican capital.

I make this request as a result of the official reports which I have brought to the attention of the President and which show that a serious outbreak has occurred in the City of Mexico and that a struggle for supremacy is now in progress there between the Government of President Madero and the faction of Felix Díaz, a struggle which is likely to have marked effect upon conditions throughout the Mexican Republic where American citizens and their interests are so very numerous.

I have [etc.]

P. C. KNOX.

File No. 812.00/6058.

The Secretary of State to the American Ambassador.

[Telegram.]

DEPARTMENT OF STATE,
Washington, February 10, 1913—11 a. m.

Your February 9, 7 p. m. Telegraph immediately a specific statement of the obligations which you think now rest upon this Government and outline precisely the prompt and effective action to meet these obligations which you say it should take. The Department approves your action in demanding protection not only from the recognized Government but also from anyone in de facto control at a given time in a particular locality, without any semblance of recognition, of course.

KNOX.

File No. 812.00/6075.

The American Ambassador to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN EMBASSY,
Mexico, February 10, 1913—noon.

No material change since my February 9, 7 p. m. The President and Cabinet have abandoned the palace; whereabouts unknown. General Huerta, whose loyalty is questioned, is in charge of the palace. Practically all of the local State authorities, police, and rurales, have revolted to Díaz, who is intrenching himself strongly.

No protection can be obtained for resident foreigners and the diplomatic establishments. In conjunction with my diplomatic colleagues, who heartily approve such action, I am organizing a foreign guard for the protection of foreign lives and property, which I hope to have in good working order before night, as we anticipate an invasion of Zapatistas from the south. Department should take immediate steps to dispatch of war vessels of sufficient size to produce an impression and with marines to render aid where necessary. And on the border equivalent steps should be taken.

WILSON.

File No. 812.00/6076.

AMERICAN EMBASSY,
Mexico, February 10, 1913—4 p. m.

Department's February 10, 11 a. m. There are some 5,000 Americans and perhaps 25,000 foreigners of all kinds in this city absolutely without protection either against invading Zapatistas or against the rising of a mob. I can not indicate how the Government of the United States could extend protection to Americans and foreigners in Mexico City, because of its interior position and other difficulties and because of the uncertainty of a situation which may radically change at any moment for the worse or for the better. There is, however, no doubt in my mind as to the immediate necessity, in anticipation of sympathetic outbreaks in Mexican ports, that formidable warships supplied with marines should be dispatched to points on the Atlantic and the Pacific and that visible activity and alertness should be displayed on the boundary.

WILSON.

File No. 812.00/6095a.

The Secretary of State to the American Ambassador.

[Telegram.]

DEPARTMENT OF STATE.
Washington, February 10, 1913.

The following has been given to the press this afternoon:

It has been decided to dispatch a battleship to Vera Cruz, a battleship to Tampico, a vessel to Mazatlan, and a vessel to Acapulco, to replace the one under orders to leave there for Central America, which will await the arrival of the fresh vessel to be sent to Acapulco.

The sole purpose of these naval dispositions is observation and report upon the situation, particularly with reference to the protection being afforded foreigners and their interests. The sending of these vessels represents no change whatever in the policy of the President; indicates no bias on the part of the Government of the United States as to which side shall gain the ascendency in the struggle which has broken out in Mexico City; and responds merely to the fresh necessity of great caution due to the extreme uncertainty of the new condition caused by the uprising in the Mexican capital, both locally and in its effect upon conditions throughout Mexico, where American citizens and their interests are so very numerous.

KNOX.

File No. 812.00/6086.

The American Ambassador to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN EMBASSY,
Mexico, February 11, 1913—10 a. m.

Public opinion, both native and foreign, as far as I can estimate, seems to be overwhelmingly in favor of Díaz.

I have taken every possible measure for the safety of the American colony, and its members are active and vigilant.

WILSON.

File No. 812.00/6091.

AMERICAN EMBASSY,
Mexico, February 11, 1913—1 p. m.

The fighting seems to be conducted in violation of the rules of civilized warfare, as no notice has been given to noncombatants in fighting zone. The direction of firing is indiscreet. The Consulate General has been rendered uninhabitable and the Consul General and his staff have repaired to this Embassy.

WILSON.

File No. 812.00/6765.

AMERICAN EMBASSY,
Mexico City, February 11, 1913—2 p. m.

I have been notified informally by Díaz that if he is successful in the battle today, he will expect that the United States will immediately recognize his belligerency.

WILSON.

File No. 812.00/6095b.

The Secretary of State to all American Consular Officers in Mexico, except at Vera Cruz.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 11, 1913—4 p. m.

The following was given to the press yesterday:
[See telegram to the Ambassador, February 10.]
Inform consular agencies.

KNOX.

File No. 812.00/6095c.

The Secretary of State to the American Consul at Vera Cruz.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 11, 1913—4 p. m.

Repeat to Puerto Mexico, Salina Cruz, Frontera, Campeche, Progreso, and Tapachula the following, which was given to the press yesterday afternoon and was telegraphed to the Embassy at Mexico City:

[See telegram to the Ambassador, February 10, ante.]

You are instructed to be prepared to organize at once, in case there is any interference with communication between Vera Cruz and Mexico City, a corp of couriers or such other means of communication as it may be possible for you to provide.

The U. S. S. *Virginia* is due to arrive at Vera Cruz about February 15.

KNOX.

File No. 812.00/6095d.

The Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 11, 1913—4 p. m.

The *Virginia*, Rear Admiral Usher's flagship, is due at Vera Cruz about February 15; the *Georgia* is due at Tampico about February 15; the *South Dakota* is due at Acapulco about February 16; the *Colorado* is due at Mazatlan about February 14.

The American consuls at the respective ports have been informed.

KNOX.

File No. 812.00/6092.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, February 11, 1913—6 p. m.

Serious and possibly prolonged fighting between the Federal and revolutionary forces is now taking place in the heart of this city, violating the rules of civilized combat and entailing untold loss of life and destruction of noncombatant property and depriving of any guaranties of protection the 25,000 resident foreigners. I am convinced that the Government of the United States, in the interest of humanity and in the discharge of its political obligations, should send firm, drastic instructions, perhaps of a menacing character, to be transmitted personally to the Government of President Madero and to the leaders of the revolutionary movement.

If I were in possession of instructions of this character or clothed with general powers in the name of the President, I might possibly be able to induce a cessation of hostilities and the initiation of negotiations having for their object definite pacific arrangements.

WILSON.

File No. 812.113/1897a.

The Secretary of State to the Secretary of the Treasury.

[Telegram.]

DEPARTMENT OF STATE,
Washington, February 11, 1913.

Owing to the present disturbances in Mexico City, I have the honor to request that you send telegraphic instructions to the appropriate customs officials to withhold shipments of arms or munitions of war consigned to Mexico City or any point in the State of Mexico, whether already excepted by the President or not, until I shall again communicate with you. The President is being informed of this request.

P. C. KNOX.

File No. 812.00/6119.

The Governor of Texas to the President.

[Telegram.]

AUSTIN, TEXAS, *February 12, 1913.*

The continued disorders and the obligation of the United States to the world under the Monroe doctrine makes it now a duty for our Government to intervene in Mexico, not for conquest or territorial gain but to restore order and protect life and property, and I respectfully urge this course without delay.

O. B. COLQUITT.

File No. 812.00/6119.

The Secretary of State to the Governor of Texas.

[Telegram.]

DEPARTMENT OF STATE,
Washington, February 12, 1913.

I have the honor to acknowledge the telegram which you addressed to the President today, wherein you urge intervention in Mexico and which has been referred to this Department. I need hardly assure you that the situation in Mexico continues to be watched with ceaseless vigilance. As you are aware, naval dispositions of a precautionary nature have been taken. Thus far, the policy of the President remains unchanged, subject, of course, to the evolution of the general situation and the ultimate effect of the sudden crisis of events occurring since Sunday at the Mexican capital.

KNOX.

File No. 312.11/1073.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, February 12, 1913—noon.

Americans driven from their homes by the firing or by the occupation of their homes by troops have thronged the Embassy this morning. I anticipate that their number will increase and probably other nationalities will seek the Embassy's protection. As the sanitary conditions resulting from this would become intolerable, I am distributing the larger number among adjoining houses, allowing to remain here at night only those who can sleep in beds or on sofas. Will the Department please advise me whether I am authorized to extend a general supervision over and care for these people?

WILSON.

File No. 812.00/6092.

The Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 12, 1913—5 p. m.

Your telegram February 11, 6 p. m. The conjecture that drastic instructions might enable the Embassy to induce a cessation of hostilities leading to negotiations for peace does not convince the President of the advisability of any such instructions at the present time. If the Embassy's representations under such instructions should be disregarded the enforcement of such representations, with the accompanying message to Congress looking to authority for measures of actual war, might precipitate intervention, which should not be considered except as a last resort and if found justified after deliberate consideration of the whole Mexican question, including the situation of foreigners throughout the Republic. Action at present looking to intervention might, moreover, precipitate many of the evils of actual intervention and might, indeed, subject American interests in the City of Mexico to increased dangers under the cloak of the present turmoil. Drastic representations, furthermore, might radically affect the issue of military supremacy at the capital, which is one for the determination of which it is not now expedient for this Government to become responsible, and is, moreover, one which, once definitely settled, may well create a better situation than has existed for some time. As to the situation of foreigners in the capital, bad as it is, nothing seems thus far called for beyond the precautionary dispositions already made as to ships and so forth. In view of the warnings given, the kind of representations to both sides already approved, and other precautions so promptly taken by the Embassy, it appears evident that foreigners ought to seek places of safety until after the fighting, giving due heed to the emphatic recommendations which the Embassy should continue to make in this sense. The Department is gratified to note that there are no indications that Americans or other foreigners as such have thus far been subjected to more than the ordinary perils incident to such an unfortunate condition.

KNOX.

File No. 812.00/6112.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, February 12, 1913—8 p. m.

I went with the Austrian and Spanish Ministers, and with the written authority of the British Minister, to National Palace this morning and saw the President. I stated on behalf of my Government and those of my colleagues, that we had come to protest

against the continuance of hostilities in this city. I informed him of the loss of American life and property and damage to property and particularly of the destruction of the Consulate General, and that the President of the United States was greatly concerned about the situation. President Madero was visibly embarrassed, and tried to fix the responsibility on Díaz. He added that measures were being taken by the Government which would end the rebellion by to-morrow night. These statements made no impression on me or my colleagues and we insisted that there be a cessation of hostilities until we could make representations to Díaz, to which the President agreed.

Joined by the British Minister, we then conferred with Díaz, who received us with all the honors of war. I made practically the same representations to him as to the President; urged that the firing be confined to a particular zone, owing to the danger to noncombatants; stated that much damage had been done in the residential district by the indiscriminate firing; that the President of the United States was much concerned over the situation; that vessels had been ordered to the various seaports, as well as transports with marines, which would be landed if necessary and brought to this city to maintain order and afford protection to the lives and property of foreigners. I added that these representations had been made to President Madero.

Díaz replied that he greatly regretted what was happening, but that he could prove that his attitude from the beginning had been one of defense, although he could have taken the National Palace at any time. He considered the placing of the Federal cannon in their present positions as an utter disregard of all rules of civilized warfare. The morale of his troops was excellent, and he would be joined by about 2,000 soldiers now at San Lazaro station.

WILSON.

File No. 312.11/1073.

The Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 12, 1913—midnight.

Your February 12, noon. You will extend all advice, general supervision and assistance, so far as possible, that may be helpful to American citizens. If necessary in succoring Americans lacking funds you are authorized to draw on the Secretary of State within the limit, in the first instance, of $10,000, taking receipts covering sums advanced. Secondarily, and in consultation with your colleagues, the Embassy will take a similar course, so far as desired and appropriate, in regard to other foreigners.

Do all in your power to persuade Americans and other foreigners to keep away from the zone of firing.

KNOX.

File No. 812.00/6149.

The American Ambassador to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN EMBASSY,
Mexico, February 14, 1913—11 a. m.

I request immediate instruction as to the measure of control I will be permitted to exercise over the American ships and marines which should arrive tomorrow at various Mexican ports. In regard to Mexico City and Vera Cruz, I recommend that I be clothed, under such restrictions as the Department may think proper, with power to act immediately in crises without further instructions. The situation is becoming hourly more dangerous. The Department should consider, in making its reply, all possible contingencies.

WILSON.

File No. 812.00/6153.

AMERICAN EMBASSY,
Mexico, February 14, 1913—2 p. m.

Mr. Lascurain this morning expressed to me unofficially his conviction that something must be done to terminate the present dreadful situation. He intimated to me in confidence that he thought the President ought to resign. I told him that public opinion, both Mexican and foreign, was holding the Federal Government responsible for these conditions and urged him to take some immediate action leading to a discussion between the contending elements. I suggested the desirability of calling together the Senate and arranging an armistice during its deliberations. He is profoundly impressed with what he believes to be the threatening attitude of our Government.

WILSON.

File No. 812.00/6154.

AMERICAN EMBASSY,
Mexico, February 14, 1913—3 p. m.

Two special messengers from Díaz last night brought me copies of correspondence between him and the Government relative to the character of the warfare being carried on in this city. He made therein several recommendations to the Government in the interest of saving lives and property. The reply did not discuss the questions which he raised, and closed with request for his surrender with permission to retire from city. With the note transmitting this correspondence Díaz renewed his request for the recognition of his belligerency by United States Government, stating that he controlled the city but that until the present he had curbed his fire.

WILSON.

File No. 812.00/6170a.

The Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 14, 1913—7 p. m.

Associated Press reports that you were notified by the Minister for Foreign Affairs that the Embassy would be in the line of Federal

fire and that you should evacuate the Embassy premises; that you positively declined to do so; and that thereupon the Minister for Foreign Affairs notified you that the firing must proceed.

If this is true you should record a formal protest, but if this is ineffective and the position of the Embassy becomes really dangerous you should evacuate the premises rather than risk casualties. In view of the situation in the city it would perhaps be best for you and other Americans to take up temporary quarters entirely beyond the range of fire.

Almost intolerable as is the situation, it should be remembered that fighting within cities is by no means without precedent and that the convenience of foreigners and the dignity of diplomatic establishments can not in all cases be interposed in a manner to affect the issue of such fighting where the danger to foreigners and diplomatic representatives is incidental and where they may escape such danger by removal.

Acquaint your colleagues with the nature of these instructions.

KNOX.

File No. 812.00/6173.

The American Ambassador to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN EMBASSY,
Mexico, February 14, 1913—midnight.

The fighting has been very mild since my February 14, 3 p. m., indicating either that my conversation with Mr. Lascurain has had the desired effect or that the Federal ammunition is being exhausted. Information comes to me from the palace that the Cabinet urged the resignation of Madero but that he refused. I have asked the British, German, and Spanish Ministers and the French Chargé d'Affaires to come to the Embassy to-night for consultation in view of this situation.

The Embassy automobile en route to bring colleagues here was held up a few minutes ago by Federals and robbed. I have asked for a Federal escort.

The British, German, and Spanish Ministers, and the French Chargé d'Affaires are in entire accord with the policy I am pursuing and I believe also the rest of my colleagues, though the great difficulty of communication is hindering consultation.

WILSON.

File No. 812.00/6174.

AMERICAN EMBASSY,
Mexico, February 15, 1913—11 a. m.

Associated Press report as per Department's February 14, 7 p. m., is incorrect. Mr. Lascurain called at the Embassy on the part of the President to tender me the use of a house in Tacubaya, offering also to see that it was supplied with servants and provisions. I expressed my appreciation of the President's courteous attentions, but declined the offer, as I shall decline all others. The Government has placed me here in charge of its records, archives, and property, and here all of the system of aids for the American colony has been centered. If

the firing becomes intolerable I will move all women and men who so desire from the Embassy. But removal of the Embassy would be a calamity to the entire American colony. Americans can not be advised to go to a safer place, because there is none. Outside the firing range there are bandits and inside there are bullets. Where shrapnel is used on both sides and the locations of batteries and bombardment are made without notice, the rules of international precedents are of little value.

WILSON.

File No. 812.00/6149.

The Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 15, 1913—4 p. m.

Your February 14, 11 a. m. As stated in the Department's February 10, the naval dispositions in Mexican waters are for the purposes of observation and report upon the situation with particular reference to the protection being afforded foreigners and their interests; the sending of the vessels represents no change whatever in the policy of the President, but responds merely to the necessity of great caution due to the uncertainty of the new conditions caused by the uprising at Mexico City and the effect of these upon Americans and their property, both locally and throughout Mexico. The latest reports from Mexico City would seem to indicate a turn for the better, hence there would appear to be still less reason for the Navy Department to change the orders which have been given the vessels at the request of this Department: and while the Department fully appreciates your anxiety with regard to the situation in Mexico City under the present distressing circumstances it feels strongly that the requirements of the general situation are such that it would be inadvisable to instruct you in the way you suggest. In this general connection the Department refers you to its messages of February 10, February 12, 5 p. m., and February 14, 7 p. m.

The Department would like you to telegraph what, if anything, you think necessary as to sending food supplies to Vera Cruz and Mexico City.

KNOX.

File No. 812.00/6463.

The Mexican Chargé d'Affaires to the Secretary of State.

[Translation.]

No. 260.] MEXICAN EMBASSY,
Washington, February 15, 1913.

EXCELLENCY: Under special instructions received from the Secretary of Foreign Relations of my country, I have the honor to transcribe to your excellency the following telegram:

On the motion of Ambassador Wilson with part of the Diplomatic Corps one of its members was commissioned to notify President Madero that he should

resign his office to settle the present conflict in the city. The President denied to these Diplomatic Representatives any right to interfere in the private affairs of the Nation and declared to them that he had resolved to die at his post rather than listen to foreign influence. The Ambassador, in view of local conditions, may perhaps try to land marines and that will cause unnecessary international conflict of dreadful consequences. Urge therefore that landing be prevented. We shall give every possible guaranty to Americans and their interests.

In communicating the foregoing to your excellency I take [etc.]

ARTURO DE LA CUEVA.

File No. 812.00/6175.

The American Ambassador to the Secretary of State.

[Telegram.]

AMERICAN EMBASSY,
Mexico, February 15, 1913—7 p. m.

Referring to my February 14, midnight. In order to supplement the work done with Mr. Lascurain in our interview Friday morning [Feb. 14], I requested the British, German, and Spanish Ministers to come to the Embassy last night to consider situation and resolve upon some action. Conference lasted from 1 o'clock in the morning until nearly 3. The opinion of the assembled colleagues was unanimous and clear that we should at once, even without instructions, request President Madero to resign in order to save further bloodshed and possible international complications, the idea being that the Executive Power should be turned over to Congress. The Spanish Minister was designated to bear to the President our joint views, it being understood that his representations, while frank, were to be in the way of advice and supposedly unofficial. This morning he went to the palace and entered slightly in advance of 30 Senators, who had come on a similar mission. He went over the points which had been discussed the night before and stated the conclusion which had been reached, saying that it was our unanimous opinion that the President should resign. The President replied that he did not recognize the right of diplomats to interfere in a domestic question; that he was the Constitutional President of Mexico and his resignation would involve the country in chaos; that he would never resign, but if necessary would die in defense of his rights as the legally elected President. At this moment the arrival of the 30 Senators was announced with the statement that they were coming to ask for his resignation. He replied, "Tontería!" and, after a hurried conversation, vanished through one of the doors. When the Senators entered they were told that the President had gone with General Huerta to examine firing points, and the Senators were obliged to return without seeing him. It appears that the Senate had voted that President Madero be asked to resign by a vote of 27 to 3 of those present, which is a majority but not a quorum. After leaving the palace some of the Senators harangued the populace, asking them to support the Legislative Power and to prevent the impending intervention of the United States, which was being demanded by the European Powers.

Mr. Lascurain had worked very hard to bring this movement about, and the attitude of the President moved him so profoundly that he broke down and wept.

This morning a battery was sent to the block in which the Embassy is situated. The whole American colony, which is dependent on the Embassy for almost everything at this moment, became panic-stricken. I wrote a courteous note to Huerta asking him to remove the battery to another part of the city. He sent me a very courteous reply, saying that orders in compliance with my request had been issued, and that the battery had been removed.

The German Minister has come to tell me the Federals are now being maneuvered so as to fire over the foreign residential district against the citadel; also that the French school which I have filled with women and children had been filled with Federals, and that a battery had been stationed there. He asked me to join him in a visit to Huerta and we have asked for a cessation of firing at 3.30, when we will take up the question of a daily armistice and of a definite limitation of the firing zone.

There is no question of removing Americans to a safer place. There is no safe place, and many of those in the worst districts refuse to leave their homes. The work of placing Americans and that of other committees goes on well. We have a temporary cable and post office, first aid to the injured, rescue and housing work, and quarter for the volunteer guard, as well as a branch of the Banco de Comercio. Our only point of weakness is defense, wherein I have not been able to secure entirely satisfactory results, on account of obstacles which the Department will recognize.

WILSON.

File No. 812.00/6177.

The American Ambassador to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN EMBASSY,
Mexico, February 15, 1913—10 p. m.

Please call the attention of the President to the circumstance that the Associated Press has brought a [rumor?] to Mexico that the President has stated that he would intervene in Mexico only after a wanton slaughter of Americans. The Mexican Herald suppressed this telegram, but President Madero used it today in connection with his arguments why he should not resign.

WILSON.

File No. 812.00/6178.

AMERICAN EMBASSY,
Mexico, February 15, 1913—11 p. m.

I went to the palace to-day with the German Minister to confer with General Huerta. During our passage thither firing was suspended. At the palace, much to our regret, we were taken to see the President, whom we [had] not asked to see, and it was only after repeated requests that we were allowed to have an interview and then only in the presence of Mr. Lascurain.

I asked, first, that the military dispositions of the Government forces be so made as not to require firing on the citadel over the residential quarter; second, that a free zone be established around the Embassy, which should be treated not only as an embassy but also as a humanitarian establishment; third, that the Government unite with an American committee for establishing centers for distribution of bread for the poor; fourth, that firing soldiers [located] on certain American buildings and public buildings, and especially on one which I have made a general refuge, be removed; fifth, that an armistice of three hours be given to enable our rescue committee to take starving Americans in dangerous localities to safer ones; sixth, that an armistice of 12 hours be given to enable foreigners to leave Mexico by train.

All of these demands were finally agreed to by General Huerta and the President.

The President submitted to me a telegram he had sent to President Taft; a considerable part of it was misleading and inexact and I so informed him. The President also attempted to convince me that the situation in the country at large was at variance with the information I have received. There was a noticeable effort to prevent our talking alone with General Huerta.

WILSON.

File No. 812.00/6172c.

The Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 15, 1913—midnight.

The President received the following telegram on February 14, at 9 p. m., from President Madero:

[Translation.]

I have been informed that the Government over which Your Excellency worthily presides has ordered warships to Mexican coasts with troops to be disembarked to come to this capital to give protection to Americans. Undoubtedly the information which you have and which has caused you so to determine is erroneous or exaggerated, since the lives of the Americans in this capital will be in no danger if they quit the firing zone and concentrate themselves at certain places in the city and in suburban towns in which there is absolute tranquillity and in which the Government can give them every measure of protection. If you will instruct Americans resident in the capital to do this, according to the practice established by one of your former messages, all danger to the lives of American and foreign residents will be avoided. With regard to material damages to property, the Government does not hesitate to accept all the responsibility imposed upon it by international law.

I request, then, that Your Excellency order your ships not to disembark troops, since this will cause a conflagration with consequences inconceivably more vast than that which it is desired to remedy. I assure Your Excellency that the Government is taking all measures to the end that the rebels in the citadel shall do the least damage possible and I have hopes that soon everything will be settled. It is true that my country is passing at this moment through a terrible trial, and the disembarkation of American forces would only make the situation worse; and, through a lamentable error, the United States would do a terrible wrong to a nation which has always been a loyal friend, and will tend to make more difficult the reestablishment in Mexico of a demo-

cratic government similar to that of the great American nation. I appeal to the sentiments of equity and justice which have been the rule of your Government and which undoubtedly represent the feelings of the great American people over whose destinies you have presided with such skill.

This evening the Mexican Embassy has presented a note embodying the following instruction from the Mexican Government:

[Translation.]

At the suggestion of Ambassador Wilson, with a part of the Diplomatic Corps, one of its members was commissioned to request President Madero to resign in order to solve the present conflict in the city. The President refused to recognize the right of the diplomatic representatives who had come together to interfere in the domestic affairs of the nation and informed them that he was resolved to die at his post before permitting foreign interference. The Ambassador, in view of local circumstances, will try, perhaps, to disembark marines, and this will produce an unnecessary international conflict of terrible consequences. It is urgent, therefore, to avoid disembarkation. We will give all possible protection to Americans and their interests.

The President before replying would like to know as soon as possible just what the Embassy has said to the Mexican Government regarding the landing of forces and what part the Embassy had in the reported request to President Madero in regard to resigning, made by a part of the Diplomatic Corps.

KNOX.

File No. 812.00/6180.

The American Ambassador to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN EMBASSY,
Mexico, February 16, 1913—11 a. m.

I arranged the armistice last night and it is in force to-day. There is great activity in taking foreigners out of the danger zone and arranging for the transportation of many women and children to the United States. I am endeavoring to arrange to have this armistice cover to-morrow also, and Díaz has agreed. Burnside has gone to palace with instructions to endeavor to induce the Government to agree also.

The Government has suppressed the Mexican Herald, thus depriving the community of its only remaining newspaper. The Associated Press has been censored out of all practical value and the Government is engaged now in censoring the private telegrams sent through the Embassy's post and telegraph office.

WILSON.

File No. 812.00/6183.

AMERICAN EMBASSY,
Mexico, February 16, 1913—7 p. m.

The President of Mexico has sent telegrams to the governors of all the Mexican States announcing military intervention. Mr. Lascurain, from whom I received this information, characterizes this course as "very dangerous."

WILSON.

File No. 812.00/6184.

AMERICAN EMBASSY,
Mexico, February 16, 1913—9 p. m.

Many Mexicans, some of them Deputies in Congress, are seeking protection from the Embassy. As we are already overcrowded to an uncomfortable degree I am sending these persons to the houses under the control of our committee, advising them to come to the Embassy in cases of acute danger. I desire instruction.

WILSON.

File No. 812.00/6219a.

President Taft to President Madero.

[Telegram.]

WHITE HOUSE,
Washington, February 16, 1913.

From Your Excellency's telegram, which reached me the 14th,[1] it appeared that Your Excellency was somewhat misinformed as to the policy of the United States toward Mexico, which has been uniform for two years, or as to the naval or other measures thus far taken, which are measures of natural precaution. The Ambassador telegraphs[2] that when you were good enough to show him your telegram to me he pointed out this fact. Your Excellency must, therefore, be aware that the reports which appear to have reached you that orders have already been given to land forces were inaccurate. The Ambassador, who is fully informed, is nevertheless being again instructed to afford you any desired information. Fresh assurances of friendship to Mexico are unnecessary after two years of proofs of patience and good will.

In view of the special friendship and relations between the two countries I can not too strongly impress upon Your Excellency the vital importance of the early establishment of that real peace and order which this Government has so long hoped to see, both because American citizens and their property must be protected and respected, and also because this nation sympathizes deeply with the afflictions of the Mexican people.

In reciprocating the anxiety shown by Your Excellency's message I feel it my duty to add sincerely and without reserve that the course of events during the past two years, culminating in the present most dangerous situation, creates in this country extreme pessimism and the conviction that the present paramount duty is the prompt relief of the situation.

WM. H. TAFT.

File No. 812.00/6208.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, February 17, 1913—1 a. m.

Department's February 15, midnight. Although the Embassy's February 14, 2 p. m., February 15, 11 a. m., February 15, 7 p. m.,

[1] Printed in telegram of February 15, midnight, from the Secretary of State to the Ambassador.
[2] Telegram of February 15, 11 p. m.

February 15, 11 p. m., would seem to have covered the Department's inquiry, I may say in amplification thereof that in the interview with Mr. Lascurain on Friday [Feb. 14] he asked me in a purely offhand and friendly way whether our Government had any intention of landing troops in Mexico. I replied that I had received no instructions in that matter and had no authority therein, but that he must understand that it was possible that European powers were bringing pressure upon the Government and that if the situation here grew to be intolerable, involving great danger to foreign nationals, my Government would necessarily have to consider the question of obtaining that protection which the Mexican Government seemed unable to give. It was distinctly understood at that time that we were talking man to man and entirely outside of official relations. I have not mentioned the intentions of our Government on any other occasion except that of my visit with the German Minister to the palace, when, as recited to him, my February 15, 11 p. m.,[1] the President expressed the hope that we would not land marines, [I] replied simply that I had no instructions and no authority in the matter. This afternoon I visited Mr. Lascurain and recalled the character of our interview to him. He agreed with me in every particular and said that if I would address a note to him he would reply in accordance with our understanding. I accordingly wrote such a note, marked it purely personal and unofficial, and dispatched it to him by Mr. Tennant, asking for a reply. Notwithstanding the personal character of the note Mr. Lascurain said that he could not reply without consulting with the President, asking Mr. Tennant to return at 7.30. Mr. Tennant went at 7.30. Mr. Lascurain, apparently much excited, asked for a further delay until morning.

I may say, in regard to President Madero's telegram, that it is irregular, false, and misleading, and that, having informed him so, I may also inform the Department to the same effect. My colleagues, who united with me in sending a representation to the President relative to his resignation, desire me to express their entire disapproval of the President's telegram in so far as the same relates to the nature of their representation, as it was fully understood both by the President and my colleagues that their representations were friendly and unofficial. They intend to so inform their Governments. I shall greatly appreciate and believe it to be of real importance that the President, in his reply to the President of Mexico, will sharply rebuke the scarcely veiled attack on this Embassy, which is endeavoring to do its full duty in a trying situation; and also that the note of Mexican Embassy may be rebuked as false, misleading, and entirely irregular in the diplomatic conference exchanges between governments.

Although only the representatives of the great powers have acted with me in these matters, we have the support of the entire Diplomatic Corps.

WILSON.

[1] This passage was probably corrupted in transmission, but stands uncorrected in the files; the meaning is probably, "when, as recited in my February 15, 11 p. m."; in the telegram referred to, however, there is no such recital.

File No. 812.00/6223a.

The Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 17, 1913—2 a. m.

Your February 15, 7 p. m., February 15, 10 p. m., and February 15, 11 p. m., appear to cover in the main the questions asked in the Department's February 15, midnight, and therefore before the receipt of your reply the President is now telegraphing to President Madero the following reply, which is quoted for your information and guidance: [Here follows the telegram from the President dated February 16; see ante.]

The action of certain Mexican Senators in exciting the crowds by stories of intervention, supposedly with the object of influencing Madero to yield, causes the President to fear danger to Americans. But I apprehend that a too emphatic denial might possibly destroy the sobering effect of the idea that intervention in certain contingencies could not be avoided. On the other hand, messages from various sources indicate that President Madero has telegraphed widely over Mexico an intimation that the landing of American forces has been ordered. This, like his circulation of the unauthorized Associated Press statement reported in your telegram of February 15, 10 p. m., to the effect that there would be no intervention unless Americans were wantonly slaughtered, appears to be part of his effort to manipulate to his own advantage Mexican opinion as to this Government's attitude. These false reports present the same danger and the same problem. Accordingly, with your full knowledge of the President's policy and your intimate knowledge of the local situation, it is left to you to deal with this whole matter of keeping Mexican opinion, both official and unofficial, in a salutary equilibrium between a dangerous and exaggerated apprehension and a proper degree of wholesome fear.

KNOX.

File No. 812.00/6223c.

The Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 17, 1913—5 a. m.

4. The following has to-day been sent to all consuls throughout Mexico:

You may publicly and officially state that the telegram of President Madero regarding American intervention is entirely misleading; that President Madero has been informed of his error; that the fact is that the policy of the United States remains unchanged, that no American forces have been landed in Mexico, and that no action has been taken except on the principles set forth in the Department's public statement to the press, which was telegraphed you on February 10 and on February 11, 4 p. m. The marines ordered to Guantánamo today are being sent on exactly the same principle, namely, as a measure of natural precaution.

Communicate to the Consul General, who will forward to Puebla, Guanajuato and Oaxaca.

KNOX.

File No. 812.00/6224.

The American Ambassador to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN EMBASSY,
Mexico, February 17, 1913—3 p. m.

My telegram of February 17, 1 a. m. I received this morning from Lascurain a note in which he states that he regrets very much that the incident referred to ever occurred; that I had stated to him on the 14th that I had no control over the marines and had not asked for their landing; that the Mexican Government were much worried by the reports of the imminence of the landing, and that this increased when the Diplomatic Corps suggested that the President resign; that the telegram to the Mexican Embassy[1] was sent for the purpose of avoiding an international conflict and the disembarkation, which could be authorized only as result of my reports; and, finally, that the scope of the telegram depended upon future conditions which might cause European powers to ask the Government of the United States to protect their nationals.

In other words, the President of Mexico knew that this note was based on falsehood.

WILSON.

File No. 812.00/6225.

AMERICAN EMBASSY,
Mexico, February 17, 1913—4 p. m.

Huerta notifies me to expect some action that will remove Madero from power at any moment: plans fully matured, the purpose of delay being to avoid any violence or bloodshed. I asked his messenger no questions and made no suggestions beyond requesting that no lives be taken except by due process of law. I am unable to say whether or not these plans will materialize; I simply repeat to the Government the word sent to me, which I feel bound to listen to as it so intimately concerns our nationals.

WILSON.

File No. 812.00/6236.

AMERICAN EMBASSY,
Mexico, February 17, 1913—8 p. m.

2. Department's February 15, midnight. I have today exchanged very forcible notes with the President which terminated in a statement from him that he had instructed the Embassy in Washington to advise the Department that in view of the satisfactory explanation made by me the incident might be considered as closed. I have to say to the Department that I have made no explanations to President Madero, but have called his attention to the misrepresentations contained in the Mexican Embassy's note and have said to him that I expect him to recall it. This corroborates the note of Mr. Lascurain referred to in my February 17, 3 p. m., and should enable the Department to understand the unreliable character of the diplomatic representations made by this Government.

WILSON.

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[1] See the Department's telegram of February 15, midnight.

File No. 812.00/6237.

AMERICAN EMBASSY,
Mexico, February 17, 1913—10 p. m.

3. Department's February 17, 2 a. m. The policy indicated in the instruction following the quotation was adopted some days ago and is being and will be pursued.

WILSON.

File No. 812.113/1922a.

The Secretary of State to the Secretary of the Treasury.

[Telegram.]

DEPARTMENT OF STATE,
Washington, February 17, 1913.

The American Consul at Nuevo Laredo having reported that insurrectionary forces have captured that city and are in full possession of all public buildings, I have the honor to request[1] that you be good enough to issue telegraphic instructions to the appropriate customs officials to withhold shipments of arms or munitions of war consigned to points in Mexico via Laredo, Texas, whether or not they have already been excepted by the President from the prohibition of his proclamation of March 14, 1912, until I shall again communicate with you. The President is being informed of this request.

KNOX.

File No. 812.00/6177.

The Secretary of State to the American Ambassador.

[Telegrams—Paraphrases.]

DEPARTMENT OF STATE,
Washington, February 18, 1913—4 p. m.

15. The President's attention was called to your February 15, 10 p. m. You are authorized to deny the report mentioned therein, in any way you see fit, being governed in your denials by the Department's February 17, 2 a. m., second paragraph.

KNOX.

File No. 812.00/6178.

DEPARTMENT OF STATE,
Washington, February 18, 1913—4 p. m.

12. Your February 15, 11 p. m. Your six agreements with General Huerta and the President cause no less satisfaction to the Department than to the American colony in Mexico City; the Department congratulates you upon your excellent work; also upon initiating and carrying out the measures mentioned in the latter part of your February 15, 7 p. m.

KNOX.

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[1] Same request, mutatis mutandis, made February 18 with regard to Matamoros, Tamaulipas, also in the hands of insurrectionary forces. See also the request of February 11.

File No. 812.00/6180.

DEPARTMENT OF STATE,
Washington, February 18, 1913—4 p. m.

11. Your February 16, 11 a. m. The Department compliments you upon your success in arranging an armistice and the prompt and efficient way in which foreigners were removed from danger zones and arrangements were made for the transportation of American women and children to the United States.

KNOX.

NOTE.—At this point a military interregnum occurs, lasting a day and a half.

File No. 812.00/6245.

The American Ambassador to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN EMBASSY,
Mexico, February 18, 1913—2 p. m.

10. Madero has just been made prisoner by Blanquette, apparently with the approval of Huerta. My messenger states that the President resisted, that a number of officers in the room were killed, and that he [Blanquette] afterwards took a squad of men and captured Gustavo Madero in the Gambrinus restaurant.

WILSON.

File No. 812.00/6244.

AMERICAN EMBASSY,
Mexico, February 18, 1913—5 p. m.

11. General Huerta has just sent me an official note announcing that he has arrested the President and his Cabinet, and asking that President Taft and the resident Diplomatic Corps be informed thereof. The Diplomatic Corps was assembled at the moment General Huerta's note was received, and after consultation I made acknowledgment, coupled with the request that he unite with all Mexican elements for the maintenance of order. In my own name I stated that I confidently relied on his ability and good intentions to carry his expressions of patriotism to good effect, and expressed the hope that he would place the army at the disposal of the Mexican Congress. I also said I would convey the statements in his note to President Taft and to General Díaz, as requested in his note.

WILSON.

File No. 812.00/6246.

AMERICAN EMBASSY,
Mexico, February 18, 1913—midnight.

12. Apprehensive of what might ensue after the downfall of President Madero, I invited General Huerta and General Díaz to come to the Embassy to consider the preservation of order in the city. I dis-

covered after their arrival that many other things had to be discussed first; but, after enormous difficulties, I got them to agree to work in common on an understanding that Huerta should be the Provisional President of the Republic and that Díaz should name the Cabinet, and that thereafter he should have the support of Huerta for the permanent Presidency. They thereupon left the Embassy to put into effect common order, which they had agreed upon for the public peace. I expect no further trouble in the city, and I congratulate the Department upon the happy outcome of events, which have been directly or indirectly the result of its instructions.

WILSON.

File No. 812.00/6250.

General Huerta to the President.

[Telegram.]

MEXICO, *February 18, 1913.*

I have the honor to inform you that I have overthrown this Government. The forces are with me, and from now on peace and prosperity will reign.

Your obedient servant,

VICTORIANO HUERTA.

File No. 812.00/6432.

Proclamation of the Independence of the State of Coahuila.

[Translation.]

Venustiano Carranza, Constitutional Governor of the free and sovereign State of Coahuila de Zaragoza, to the inhabitants thereof, greeting:

Know ye that the Congress of this State has decreed as follows:

The XXII Constitutional Congress of the free, independent and sovereign State of Coahuila de Zaragoza decrees:

Number 1421.

Article 1. General Victoriano Huerta is not recognized in his character of Chief of the Executive Power of the Republic, which he alleges to have been conferred upon him by the Senate; and none of his acts and orders in that capacity are recognized.

Article 2. Extraordinary powers are granted to the Executive of the State in all the branches of the Public Administration in order that he may suppress any that he may see fit to suppress and in order that he may proceed to arm forces to aid in the support of constitutional order in the Republic.

Let the Governments of the other States and the Chiefs of the Federal Forces, Rurales and Auxiliaries of the Federation be urged to second the attitude of the Government of this State.

Done in the Hall of Sessions of the Congress of the State this nineteenth day of February, 1913.

[Signatures, etc.]

Let this decree be printed, published and observed.

V. CARRANZA.

SALTILLO, *February 19, 1913.*

File No. 812.00/6264.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, February 19, 1913—5 p. m.

14. It is quite evident that the public believes that the storm is over. The city has been quiet all day, though many looters were abroad last night. There are very few people about the Embassy. The storm may or may not be over, according as Díaz and Huerta continue to work in accord. To that end I am now devoting myself.

The originals of the two agreements made between Huerta and Díaz last night are on record in this Embassy.[1] These documents provide for the convening of Congress, name the new Cabinet, stipulate the election by Congress of General Huerta as Provisional President, and contain various other provisions for the maintenance of order throughout the Republic. There are three agreements which I stipulated but which are not reduced to writing, viz: (1) The release of the Madero Ministers; (2) The liberty of the press and an uncensored telegraph service; (3) Joint action between the two generals for the maintenance of order in this city. Congress is now in session; I imagine its ratification of the agreement made in the Embassy last night will be little more than a matter of form.

The President and Vice President are still in the guardhouse of the palace, as are Generals Delgado, Angeles, and the Minister of War. The report was current early this morning that Gustavo Madero

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[1] These agreements (the "Pacto de la Ciudadela" and the Proclamation) are in translation (see File No. 812.00/11661) as follows:

PACTO DE LA CIUDADELA.

In the City of Mexico, at 9.30 p. m. of February 18, 1913, Generals Felix Díaz and Victoriano Huerta met together, the former being assisted by Attorneys Fidencio Hernández and Rodolfo Reyes and the latter by Lieutenant Colonel Joaquín Maas and Engineer Enrique Zepeda.

General Huerta stated that, inasmuch as the situation of Mr. Madero's Government was unsustainable and in order to prevent further bloodshed and out of feelings of national fraternity, he had made prisoners of Mr. Madero, his Cabinet, and other persons; and that he desires to express his good wishes to General Díaz to the effect that the elements represented by him might fraternize and, all united, save the present distressful situation.

General Díaz stated that his movements have had no other object than to serve the national welfare, and that accordingly he is ready to make any sacrifice which might redound to the benefit of the country.

After discussions had taken place on the subject among all those present as mentioned above, the following was agreed on:

First. From this time on, the Executive Power which has held sway is deemed not to exist and is not recognized, the elements represented by Generals Díaz and Huerta pledging themselves to prevent by all means any attempt to restore said Power.

Second. Endeavor will be made as soon as possible to adjust the existing situation under the best possible legal conditions, and Generals Díaz and Huerta will make every effort to the end that the latter may within seventy two hours assume the Provisional Presidency of the Republic with the following Cabinet:

Foreign Relations, Lic. Francisco L. de la Barra;
Treasury, Toribio Esquivel Obregón;
War, General Manuel Mondragón;
Fomento, Eng. Alberto García Granados;
Justice, Lic. Rodolfo Reyes;
Public Instruction, Lic. J. Vera Estañol;
Communications, Eng. David de la Fuente.

There shall be created a new Ministry, to be charged specially with solving the agrarian problem and matters connected therewith, being called the Ministry of Agriculture, and the portfolio thereof being entrusted to Lic. Manuel Garza Aldape.

Any modifications which may for any reason be decided upon in this Cabinet slate shall take place in the same manner in which the slate itself was made up.

Third. While the legal situation is being determined and settled, Generals Huerta and Díaz are placed in charge of all elements and authorities of every kind the exercise whereof may be necessary in order to afford guaranties.

Fourth. General Felix Díaz declines the offer to form part of the Provisional Cabinet in case General Huerta assumes the Provisional Presidency, in order that he may remain at liberty to undertake his work along the lines of his promises to his party at

had been killed by the simple process of the *ley de fuga*. This I have not verified.

I have been assuming considerable responsibility in proceeding without instructions in many important matters, but no harm has been done, and I believe great benefits have been achieved for our country, and especially for our countrymen in Mexico. Our position here is stronger than it has ever been, and I would suggest that I have general instructions immediately to bring to the attention of whatever government may be created here the complaints set forth in our note of September 15 and urge for at least an arrangement to settle them all.

WILSON.

File No. 812.00/6271.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, February 19, 1913—10 p. m.

16. The President of the Republic and the Vice President have resigned and their resignations are now before Congress, which of course will accept them. By law the executive power will devolve upon Mr. Lascurain, who has not had an opportunity to resign. He will hold office a few moments and then General Huerta will be proclaimed Provisional President and will immediately announce the following Cabinet:

Foreign Affairs, De la Barra.
Hacienda, Toribio Obregón.
War, General Mondragón.
Fomento, Robles Gil.
Gobernación, Garcia Granados.
Justice, Rodolfo Reyes.
Public Instruction, Vera Estañol.
Communications, De la Fuente.

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the coming elections, which purpose he wishes to express clearly and which is fully understood by the signers.

Fifth. Official notice shall immediately be given to the foreign representatives, it being confined to stating to them that the Executive Power has ceased; that provision is being made for a legal substitute therefor; that meantime the full authority thereof is vested in Generals Díaz and Huerta; and that all proper guaranties will be afforded to their respective countrymen.

Sixth. All revolutionists shall at once be invited to cease their hostile movements, endeavor being made to reach the necessary settlements.

GENERAL VICTORIANO HUERTA. GENERAL FELIX DÍAZ.

Joaquín Maas.
Rodolfo Reyes.
Fidencio Hernández.
Dr. F. L. Collantes.
E. Zepeda.

PROCLAMATION BY GENERALS HUERTA AND DÍAZ.

To the Mexican People:

The unsustainable and distressful situation through which the capital of the Republic has passed has compelled the Army, represented by the undersigned, to unite in a sentiment of fraternity in order to effect the salvation of our country. And consequently the Nation may rest quiet, for all liberties consistent with order are insured under the responsibility of the undersigned commanders, who will henceforth assume command and administration as far as may be necessary in order to afford full guaranties to natives and foreigners, they promising that the lawful order of things ("the legal situation") will be duly organized within 72 hours.

The Army invites the people, on whom it counts, to continue in the noble attitude of respect and moderation which it has observed up to the present, and it likewise invites all revolutionary bands to unite in order to confirm the national peace.

FELIX DÍAZ.
V. HUERTA.

MEXICO, *February 18, 1913.*

I went to see General Huerta this afternoon to get guaranties for public order and to learn the exact situation. He gave me satisfactory assurances and explained that Gustavo Madero had been killed by soldiers, without orders. General Huerta said that the President and Gustavo Madero had twice tried to assassinate him and had held him a prisoner for one day. He asked my advice as to whether it was best to send the ex-President out of the country or place him in a lunatic asylum. I replied that he ought to do that which was best for the peace of the country.

WILSON.

NOTE.—The Provisional Government of General Huerta begins here.

File No. 812.00/6277.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, February 20, 1913—6 p. m.

18. The installation of the Provisional Government, with the personnel indicated in my No. 16 of February 19, 7 p. m., took place amid great popular demonstrations of approval. A wicked despotism has fallen, but what the future contains can not now be safely predicted. The new Government will be inaugurated this afternoon and General Díaz will immediately turn over his forces to the Federal Government. So far no other executions than those reported to the Department have come to the knowledge of the Embassy. At the request of the wife of the ex-President I visited General Huerta today, in company with the German Minister, and unofficially requested that the utmost precaution be taken to prevent the taking of his life or the life of the Vice President, except by due process of law. General Huerta replied that he would have sent the President and Vice President out of the country last night but feared to assume the responsibility, in view of the possibility of an attack on the train. He said that every precaution was being taken to guard the life of these two persons and that they would probably be tried, but upon what charges he did not state. Madero, the Vice President and some generals are still confined in the National Palace, and I understand Madero is being severely treated. This feature of the situation I think should be brought to the attention of the President; I suggest that instructions be sent for me to deal unofficially with General Díaz in the matter of reprisals as an intermediary with General Huerta. I urgently recommend the retention of all American warships in Mexican waters until further advices. The Embassy considers that the question of the retention of the vessels should not be left to the discretion of the commanders, who, although competent to judge the situation in the particular ports where they are stationed, which immediately become quiet from their presence, can not have the same sources of information which are available to the Embassy regarding general conditions in Mexico. The pres-

ence of our ships has undoubtedly prevented serious trouble in the last few days.

I have this moment had word from Huerta that the ceremonies had just taken place and that everything was going on well. The revolution is now complete as far as the City of Mexico is concerned.

WILSON.

File No. 812.00/6287.

The American Ambassador to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN EMBASSY,
Mexico, February 20, 1913—8 p. m.

20. The Department should immediately instruct me as to the question of recognition of the Provisional Government, now installed and evidently in secure possession. It would be well to note that the Provisional Government takes office in accordance with the Constitution and precedents.

WILSON.

File No. 812.00/6288.

AMERICAN EMBASSY,
Mexico, February 20, 1913—9 p. m.

21. The text of the resignation of the President and Vice President is as follows:

The Secretaries of the Chamber of Deputies:

In view of the events which have occurred since yesterday in the nation and for its greater tranquility we formally resign our posts of President and Vice President, respectively, to which we were elected. We protest whatever may be necessary.

Mexico, February 19, 1913.

FRANCISCO I. MADERO.
JOSÉ M. PINO SUÁREZ.

WILSON.

File No. 12.00/6271.

The Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 20, 1913—11 p. m.

23. You may informally and unofficially inform General Huerta that his telegram of February 18, to the President, has been received.

While it is the general duty of this Government to conserve for use on behalf of its own citizens and its national interests the influence it possesses, nevertheless General Huerta's consulting you as to the treatment of Madero tends to give you a certain responsibility in the matter. It moreover goes without saying that cruel treatment of the ex-President would injure, in the eyes of the world, the

reputation of Mexican civilization, and this Government earnestly hopes to hear of no such treatment, and hopes to hear that he has been dealt with in a manner consistent with peace and with humanity.

Without assuming responsibility, you may, in your discretion, make use of these ideas in your conversation with General Huerta.

KNOX.

File No. 812.00/6302.

The American Consul at Saltillo to the Secretary of State.

[Telegram.]

AMERICAN CONSULATE,
Saltillo, February 21, 1913—1 p. m.

Governor Carranza has officially announced to me that he will conform with the new administration at Mexico City. All opposition here abandoned. Railroads will be opened at once. Perfect quiet prevails.

HOLLAND.

File No. 812.00/6294a.

The Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 21, 1913—2 p. m.

21. Your February 19, 5 p. m., and February 19, 10 p. m. The shooting of Gustavo Madero caused a most unfavorable impression here. The President is gratified to believe that there is no prospect of injury to the deposed President or Vice President or their families.

KNOX.

File No. 812.00/6319.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, February 21, 1913.

23. In the absence of instructions and in view of the extreme urgency, I assembled the Diplomatic Corps last night relative to the recognition of the new Government. This step was necessary in view of the fact that we are invited to meet the President at noon today, when an exchange of brief addresses is expected. My colleagues, all of whom are without instructions, agreed that recognition of the new Government was imperative, to enable it to impose its authority and reestablish order. I shall accordingly unite with my colleagues, believing I am interpreting the desires of the Department and assisting in the tranquilization. I am sending a circular telegram to all consuls advising them of the situation and instructing them to do all possible to bring about a general acceptance of the

Provisional Government. I trust this action, taken under difficult circumstances, will meet with the approval of the Department.

WILSON.

File No. 812.00/6472.

The American Consul at Saltillo to the Secretary of State.

No. 172.] AMERICAN CONSULATE,
Saltillo, February 21, 1913.

SIR: I have the honor to confirm my telegraphic despatch of today, as follows:

February 21, 1 p. m. Governor Carranza has just announced to me officially that he will conform with the new administration at Mexico City. All opposition were abandoned. Railroads will be opened at once. Perfect quiet prevails.

Early in the day a call was made upon Governor Carranza to ascertain if there had been any change in his attitude toward the new administration. He vigorously maintained his attitude of opposition on the alleged ground of the unconstitutional deposition of President Madero.[1] He requested that I advise the American Government that his opposition meant a revolution of far more import than the country had previously experienced. As the Governor is a man of force and of no mean ability his position was to be taken seriously. Governor Carranza is one of Mexico's ablest officials, and I believe a man of strict integrity.

The trains for Monterey and Piedras Negras were not permitted to leave Saltillo this morning. The Governor further said that no trains would be allowed to move in any direction without his special order. To this I verbally protested on the ground that American citizens must not be cut off from exit from the country. I insisted further that the main line of the National Railroad must be opened to Vanegas in order that marooned Americans could leave that part of the country. This he positively and emphatically declined to do, but proposed that he furnish me such special trains from Saltillo under military escort to Eagle Pass at such times as I should request. My interview with Governor was held at the National Telegraph office, where I found him personally in charge. He informed me that he had taken charge of all federal offices in Saltillo for the time and had instructed the officials to report to him.

After this interview I had a conference with the British Vice Consul about affairs of mutual interest to our respective countries. In a short while we called into the conference citizens of other countries. After some discussion it was decided that a special train for Eagle Pass should be requested of the Governor for nine o'clock the next morning and that all foreigners should be notified. As an engagement between the opposing forces appeared to be at least 48 hours off this would give ample time for those who wished to do so to get out of the way and across the border.

With the assistance of the Vice Consul, Mr. Silliman, all Americans were promptly given notice to assemble at the American Consulate at

[1] Compare this with the last paragraph but one of this despatch. The telegram quoted above relates to the latter.

2 p. m. today. In the meantime alarm had spread to the Mexicans and the business men became interested and sent a committee to see the Governor and to inform him that he did not have the support of the people in his attitude.

Promptly at 12 o'clock the Governor sent for me, stating that he had special information which he wanted to communicate to me immediately. Within a few minutes I was at the palace and received personally the Governor's announcement. He stated that he had completely changed his attitude as he had received a telegram from General Huerta to the effect that the resignations of President Madero and Vice President Suárez had been properly presented to the Mexican Congress and had been duly accepted. That he had raised opposition to the new administration was due to the unconstitutional deposition of the President, so he stated; and that as his cause for opposition had been removed he felt it his duty to accept and support General Huerta.

Within an hour the news had percolated through the entire city. The news was telegraphed to the towns within the State. The meeting of Americans at the Consulate was called off, the special train abandoned and the city has apparently settled down to peace and quiet.

I have [etc.]

PHILIP E. HOLLAND.

File No. 812.00/6325a.

The Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 21, 1913—11 p. m.

25. In view of the statements and tenor of your recent telegrams, the Department is disposed to consider the new Provisional Government as being legally established and to believe that it apparently intends to reestablish peace and order throughout Mexico, and to hope that it has the support of the majority of the Mexican people. It will, however, be evident to those now in responsible control in Mexico that, especially in view of the situation which has prevailed for the past two years or more, this Government must very carefully consider the question of their ability and earnest disposition to comply with the rules of international law and comity, the obligations of treaties, and the general duties to foreigners and foreign governments incidental to international intercourse.

You are instructed, therefore, to say to those seeking recognition as the new Provisional Government that the Government of the United States will be glad to receive assurances that the outstanding questions between this country and Mexico, which, among other things, have done so much to mar the relations between the two Governments, which should be so especially friendly, will be dealt with in a satisfactory manner. These questions and the grievances of this Government against Mexico are set forth in general terms in the Department's note of September 15, 1912, to which the attention of the new Provisional Government should be invited.

In the interest of definiteness, however, and for the sake of an unequivocal understanding, the Department desires you to say that the questions which it is most necessary and desirable to have dealt with and got out of the way are as follows:

This Government desires settlement of the Tlahualilo controversy at the earliest possible date, either by direct agreement between the Mexican Government and the Tlahualilo Co. or by a submittal of this question to arbitration;

It desires settlement of the question of the Chamizal tract by direct agreement between the two countries;

It desires that the immediate matters regarding the equitable distribution of the waters of the Colorado River be arranged for by convention;

That the border claims growing out of battles at Aguaprieta and Juárez in 1911 be settled on the terms and according to the arrangement suggested by this Government after full consideration and arrival at the conviction that the requests made of the Mexican Government are just and fair;

That the Alamo murders be settled by the payment of $10,000 for each of the murdered men, and the prompt punishment of the guilty parties;

That the administration of justice throughout Mexico shall be raised to such a plane that this Government will no longer be compelled, by manifestly unfair and improper action on the part of certain Mexican courts, to make diplomatic representations in favor of its unjustly treated nationals;

And, finally, but most important, that the Mexican Government agree in principle to the settlement of all claims resulting from the loss of life by American citizens and damages to American property on account of the recent political disturbances in Mexico by presentation thereof to a mixed international commission which shall award damages therefor.

You will point out that no greater assurance could be given of a disposition to cement and maintain friendly relations with this Government than to give the assurances which you are above instructed to secure.

KNOX.

File No. 812.00/6325b.

The Acting Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 22, 1913—5 p. m.

26. Department's February 21, 11 p. m. In next to last paragraph the words "damages to American property on account of the recent political disturbances" of course refer to this whole period of disturbances.

HUNTINGTON WILSON.

File No. 812.00/6326.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, February 22, 1913—6 p. m.

25. Department's February 21, 11 p. m. I indicated to De la Barra this morning precisely what the Department has indicated to me. I believe that I can secure the results aimed at by the Department without resorting to the refusal of full recognition or of [sic] the course of taking the matter up with General Huerta directly. The Department will probably recall that my relations with De la Barra are extremely intimate, as I have known him for more than 12 years. I shall not commit our Government further or take any additional steps until I have had an interview with De la Barra, which he arranged on Monday [the 24th]. This Government understands that I expect something to be done immediately and there seems to be every disposition to be grateful to the Embassy for its good offices to bring about termination of the conflict. If the Department desires me to act immediately in the sense of its February 21, 11 p. m., I would like to be so instructed, but I advise the other course.

WILSON.

File No. 812.00/6294b.

The Acting Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 22, 1913—12 midnight.

28. By direction of the President the Fifth Brigade of the Army, comprising about 5,000 men, will proceed from Fort Omaha to Galveston. This movement is merely one of the measures of precaution previously determined upon on account of the disturbances in Mexico, and represents no change whatever in the policy of this Government. Should you be questioned regarding the movement, or find it necessary to correct false interpretations which might disturb the present satisfactory equilibrium of Mexican opinion, or unduly alarm Americans in Mexico, you will explain the movement as it is above explained to you, and point out that it is only a matter of routine. In this connection the President has today issued the following statement:

The movement of troops is merely to bring a brigade to Galveston, to which place four transports had already been ordered as a mere precautionary measure because of unsettled conditions in Mexico. It is not prompted by any recent news from Mexico, and is only part of the reasonable precautions directed to be taken some time ago, in which the sending of battleships to the various ports in Mexico was the first step. The sending of four transports and two brigades to Galveston is the next and final step.

HUNTINGTON WILSON.

File No. 812.00/6326.

The Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 23, 1913—11 p. m.

29. Your No. 25, February 22, 6 p. m. In giving you further instructions the Department will attach great importance to your recommendations after your interview with De la Barra.

KNOX.

NOTE.—The following is the first report to the Department of the murder of President Madero and Vice President Pino Suárez.

File No. 812.00/6321.

The American Ambassador to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN EMBASSY,
Mexico, February 23, 1913—1 p. m.

27. Last night Mr. de la Barra told me that the Government, intending to transfer the President and Vice President to the penitentiary where it would be possible to make them more comfortable and where they would be in security until the public passions have subsided, removed them from the Palace at about 11.30 and en route to the penitentiary the party was attacked, according to the Government's published reports this morning, and in the struggle which followed both the President and Vice President were killed. President Huerta in a published letter explains the occurrence in this way and also states that all the circumstances will be made the subject of a rigid judicial investigation.

Mr. de la Barra holds a reception to the Diplomatic Corps tomorrow. I shall ask him to suspend it until the Diplomatic Corps can have the advantage of a full understanding of this occurrence.

WILSON.

File No. 812.00/6322.

AMERICAN EMBASSY,
Mexico, February 23, 1913—3 p. m.

28. The Government has decided to do military honors to the remains of Francisco Madero and José María Pino Suárez and to deliver their remains to their families. The Government has liberated all Deputies who were imprisoned.

WILSON.

File No. 812.00/6323.

AMERICAN EMBASSY,
Mexico, February 23, 1913—4 p. m.

29. I have given a copy of the Government's version of the killing of the President and Vice President to the Associated Press and will

ask the Department to accept it as emanating from this Embassy. This is requested in view of the pressure upon the Embassy at the moment.

WILSON.

File No. 812.00/6324.

AMERICAN EMBASSY,
Mexico, February 23, 1913—5 p. m.

30. I think the effect would be excellent if, in case the atmosphere clears measurably in the next two days, the Department would send to this city the commanding officers of our boats in Vera Cruz with the marines and such sailors as may be deemed advisable. I can make the necessary arrangement here, if the Department approves my recommendation.

WILSON.

File No. 812.00/6325.

AMERICAN EMBASSY,
Mexico, February 23, 1913—6 p. m.

31. I have the honor to report that on the 21st instant I sent the following telegram to all consular officers in Mexico:

Provisional Government installed yesterday with General Huerta as President. General public approval of Congress in this city, which is perfectly quiet; reassuring reports come from other places. President Madero is a prisoner awaiting the decision of the Congress in his case. Senate and Chamber of Deputies in full accord with new administration. You should make this intelligence public, and in the interest of Mexico urge general submission and adhesion to the new Government, which will be recognized by all foreign governments to-day.

WILSON.

File No. 812.00/7239.

Mr. de la Barra to the Mexican Embassy.[1]

[Translation.]

MEXICO, *February 23, 1913.*

Last evening while Messrs. Francisco I. Madero and José Ma. Pino Suárez were being taken from the National Palace to the Penitentiary as prisoners for trial on various charges, two groups of armed men attempted to release the prisoners and twice attacked the escort. There was a fight in which five persons, among them Messrs. Madero and Pino, lost their lives. The Government marked the event for thorough judicial investigation so as to clear up every circumstance. The late functionaries will be buried with the honors due the offices they held. The Federal Government is recognized and supported by nearly all Governors including former Maderistas; general yearning and well-founded hopes for restoration of peace. Representatives of foreign nations manifest sentiments friendly to the Government. Public opinion tranquil and optimistic.

DE LA BARRA.

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[1] A copy of the Spanish original was handed unofficially to the Assistant Chief of the Division of Latin-American Affairs of the Department of State by a member of the Mexican Embassy, on April 21, 1913.

File No. 812.00/6310.

The Secretary of War to the Secretary of State.

[Telegram.]

WAR DEPARTMENT,
Washington, February 23, 1913.

Following telegram of February 22d from Commanding General, Southern Department, San Antonio, Texas, repeated for your information:

Following from Colonel Hatfield at Columbus, New Mexico:

Following Mexicans from Salazar's camp—David de la Fuente, Secretary José Pérez, Castro Roque Gómez, José Macías and Angel Ponce—request permission to take train at Columbus for El Paso, en route through Juárez to Mexico City. Request telegraphic reply as soon as possible since parties think it necessary to take morning train.

Salazar's camp is supposed to be near Palomas south of Columbus. De la Fuente is said to be a member of Cabinet under Huerta.

HENRY L. STIMSON.

File No. 812.00/6310

The Secretary of State to the Secretary of War.[1]

[Telegram.]

DEPARTMENT OF STATE,
Washington, February 23, 1913.

Your telegram of the 23d. Developments in Mexico since the 9th of February have so altered the situation in that country that it is radically different from what it was in October last, when, under date of October 2, this Department addressed to you a communication[2] regarding the desirability of arresting and detaining, so far as warranted by law, all Mexican insurrectionists who might find their way onto United States territory.

This Department is persuaded to think, by the latest official reports from Mexico City and particularly by the character of the selections for the Cabinet of those now in control and establishing a de facto government, that those in control seriously desire to harmonize all conflicting elements in Mexico, and the Department is disposed to see in the selection of David de la Fuente for Minister of Communications[3] an effort to secure the allegiance and support of followers of Orozco and insurrectionists in northern Mexico generally.

The overthrow of the Madero administration and the establishment of the present de facto authority casts a certain measure of Federal character over former insurrectionists, and especially so if they show a disposition to adhere to the new de facto régime, and it appeals forcibly to this Department that the wisest policy at the present juncture is not in any way to frustrate the efforts of the de facto authorities in this regard (as might be the effect if obstacles should prevent De la Fuente from going at once to Mexico City) and I

[1] Quoted to the Attorney General, the Secretary of the Treasury and the Secretary of Commerce and Labor.
[2] For. Rel. 1912, p. 848.
[3] Telegram from the Embassy dated February 19, 10 p. m.

accordingly beg to express the opinion that it would be unwise to refuse the request of De la Fuente and his associates, and to suggest that the enforcement of the President's order—directing that Mexican insurrectionists who find their way onto United States territory be arrested and detained—be stayed for the moment and that De la Fuente and those who accompany him be allowed to pass without hindrance from the camp of Salazar, near Palomas, to Columbus, New Mexico, and thence to El Paso and Juárez by rail. It is further suggested that they be required—if and when the permission is given—to remain no longer on United States territory than is reasonably necessary to make the journey from Columbus to Juárez.

KNOX.

File No. 812.00/6317.

The Secretary of Commerce and Labor to the Secretary of State.

[Telegram.]

DEPARTMENT OF COMMERCE AND LABOR,
Washington, February 24, 1913.

Referring to your telegram of this date to the Secretary of War, following telegram has been sent to supervising inspector Immigration Service at El Paso, this date:

Upon request forwarded through War Department and upon advice Secretary of State, permit David de la Fuente, Secretary José Pérez, Castro Roque Gómez, José Macías and Angel Ponce to pass from Salazar's camp to Columbus, thence via El Paso to Juárez. These parties to remain no longer on United States territory than reasonably necessary to complete transit.

Secretary of War has been advised accordingly.

NAGEL.

File No. 812.00/6347.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, February 24, 1913—2 p. m.

33. The Government refuses to accept the adhesion of Governor Carranza of Coahuila and is sending troops against him. Consul Holland telegraphs me that Carranza has evacuated the capital with 1000 men.[1]

The tragedy of yesterday evidently produced no effect on the public mind. The city remains perfectly quiet, and unofficial telegrams indicate the same situation throughout the Republic, with a few exceptions. All conditions will, in my judgment, improve for a time, and it is quite evident that the people hail with satisfaction the present régime.

WILSON.

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[1] Compare with Mr. Holland's despatch No. 172 of February 21.

File No. 812.00/6277.

The Secretary of State to the American Ambassador.

[Telegrams—Paraphrases.]

DEPARTMENT OF STATE,
Washington, February 24, 1913—5 p. m.

31. Your February 20, 6 p. m. The Department has no intention at present of removing any of the naval vessels now at Mexican ports and will naturally expect to receive suggestions and recommendations from you prior to taking up the matter with the Navy Department.

KNOX.

File No. 812.00/6324.

DEPARTMENT OF STATE,
Washington, February 24, 1913—6 p. m.

33. Your telegram February 23, 5 p. m. When the situation at Mexico City shall have settled down and circumstances shall be such that this Government would be disposed to accord formal recognition as a provisional government to those in de facto authority, the Department will be ready to consider the suggestion of a visit of ceremony by the commanding officers of the warships at Vera Cruz; but the Department can not at present rid itself of the feeling that to have them accompanied by marines and sailors would even then probably be unwise.

KNOX.

File No. 812.00/6342.

The American Consul at Nogales to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN CONSULATE,
Nogales, February 24, 1913.

A very bitter resentment here and in the State [of Sonora] resulting from the killing of Madero. The State will not submit to the Provisional Government at Mexico City.

BOWMAN.

File No. 812.00/6421.

The American Consul at Ciudad Porfirio Díaz to the Secretary of State.

[Extract.]

No. 654.] AMERICAN CONSULATE,
Ciudad Porfirio Díaz, February 24, 1913.

SIR: I have the honor to advise that up to this minute the officials of this city have not received from the Governor of the State of Coahuila anything that indicates that he has recognized the new Mexican administration. * * *

I have [etc.]

LUTHER T. ELLSWORTH.

File No. 812.00/6409.

The American Consul General at Monterey to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN CONSULATE GENERAL,
Monterey, February 24, 1913.

The situation in northern Mexico looks less encouraging. Active rebel armies in the States of Coahuila, Sonora, San Luis Potosí.

HANNA.

File No. 812.00/6353.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, February 24, 1913—7 p. m.

35. I think we are on the eve of the procurement of peace, except perhaps in the districts immediately south of Mexico City, where the Government informed me they do not intend to negotiate but to suppress all disorders with a firm hand, sparing no violators of the law, and furnishing an immediate proof to the world of the stability and vigor of the present administration. I urge the Department to inform the American public of the friendly disposition of this Government toward the United States and of the activity which it is displaying in restoring order; also of the fact that one of the last acts of Madero was to send out telegrams to all the governors which amounted to an incitement against American residents in Mexico. The Secretary of the British Legation believes his Government will not recognize the Provisional Government on account of the murder of Madero. This would be a great error, endangering the present Government, upon which the safety of all foreigners depends. Mr. de la Barra informed me to-day that in a meeting which occurred at the palace immediately after the death of Madero he stated to the President that unless he were convinced that Madero had not been murdered with the connivance of the Government he would immediately resign with two of his colleagues. He added that he was convinced and that he had therefore given out the statement published by the Associated Press. I am disposed to accept the Government's version of the affair and consider it a closed incident, in spite of all current rumors. The cooperation of the Department in this direction will be of infinite value.

WILSON.

File No. 312.11/1170.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, February 24, 1913—8 p. m.

36. I dispatched a note to General Huerta to-day in the sense of Department's instruction of February 21, 11 p. m. It was marked

"Personal—Unofficial." The President returned me a verbal message that the matters referred to in my note should have immediate action over everything else and that my requests should be attended to and complied with.

Before receiving this reply I had an interview with De la Barra, wherein he agreed to use his best efforts to procure an immediate solution of all pending matters in a manner satisfactory to the Government of the United States. I urged him to take such action as would bring satisfactory results before the new American administration should take office, in order that it might not be embarrassed by having to deal with questions which so nearly concern the good relations between the two countries. He promised that, after having received instructions from the President, he would proceed to the solution of all difficulties except the Chamizal matter, which was being treated through the Embassy in Washington. He promised to send an immediate instruction to the Embassy touching these matters and to say also that the new ambassador who will be shortly appointed would have full authority to arrange the Chamizal matter in a satisfactory way.

In my communication to General Huerta I said that we ask nothing of Mexico which we would not cheerfully accord on our part under similar circumstances, and I have recited the history of the discussions which have taken place. I added that during the Madero administration we have not been able to procure the slightest evidence of a desire to act in a spirit of fairness to our complaints.

WILSON.

File No. 812.00/6184.

The Secretary of State to the American Ambassador.

No. 1227.] DEPARTMENT OF STATE,
Washington, February 24, 1913.

SIR: With reference to your telegram of February 16, 9 p. m., in which you request instructions upon the subject of the measure of protection which should be extended by the Embassy to Mexicans seeking the assistance of the Embassy, you are informed that the general practice of the Department on the subject of temporary refuge is embodied in an instruction to the Consul General at Guayaquil, Ecuador, which is in the files of the Embassy.[1] Briefly stated, only such temporary refuge should be accorded Mexicans as in your judgment is absolutely necessary to preserve innocent human life.

In this connection the Department also invites your attention to its instruction No. 38, of January 30, 1912, to the American Minister at Quito, a copy of which is inclosed herewith.[2]

I am [etc.]

P. C. KNOX.

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[1] This instruction reads: "You may, in your discretion, afford temporary refuge where such is necessary in order to preserve innocent human life."
[2] Printed in For. Rel. 1912, p. 399.

File No. 812.00/6373.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, February 25, 1913—noon.

38. This morning the Associated Press announced that the British Government will refrain from recognizing the present legally constituted Provisional Government and will recognize it only after the election for permanent President. This statement, taken in connection with the attitude of the Legation in other matters, has made a disagreeable impression on the Mexican Government and has aroused profound indignation in the British colony. In view of the depressing effect which any similar utterance from our Government might cause, I respectfully recommend either that our Government maintain silence on the subject of recognition or else give out the following, which will serve to aid me in the matter treated of in my 35, February 24, 7 p. m.:

This Government can not at this moment fix any definite time when it will make formal recognition of the apparently legally constituted Provisional Government of Mexico nor can it limit or circumscribe its action nor announce its definite conclusions until it has had opportunity carefully to observe the evidences of vigor, activity and firmness in maintaining order. This Government will form its conclusions wholly from the reports of its consular officers in Mexico and of the Embassy in Mexico City.

WILSON.

File No. 812.00/6379a.

The Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 25, 1913—1 p. m.

36. Your February 25, noon. While the Department fully understands the Embassy's disposition to further consolidation of warring factions through general acceptance of a provisional government, you will, nevertheless, be carefully guided by the President's direction that, for the present, no formal recognition is to be accorded those de facto in control, except upon specific instructions from the Department to do so.

Meanwhile, all business between the two countries to be transacted in the informal manner usual during such intervals before formal recognition is accorded.

KNOX.

File No. 812.00/6380.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, February 25, 1913—6 p. m.

Last paragraph of Department's February 25. 1 p. m. I must ask the Department to be more specific. The correspondence exchanged

between the Embassy and the Provisional Government under Mr. de la Barra was not changed in form from that exchanged with the former Government under General Díaz. If the Department knows any reason for changing the attitude of the Embassy assumed at that time I think I should be advised, as I am embarrassed in our transaction and perhaps the loss of some vantage ground already taken. I think this matter should have the direct attention of the President.

WILSON.

File No. 812.00/6354.

The Secretary of War to the Secretary of State.

[Telegram.]

WAR DEPARTMENT,
Washington, February 25, 1913.

Following telegram of February 24, 1913, from Commanding General, Southern Department, San Antonio, Texas, repeated for your information:

The following telegram just received from the Governor of Texas:

Captain Head, whose company of National Guards has been on duty at Brownsville for several days, sends me the following telegram:

"Brownsville, Texas, February 24. Just received message from Consul Johnson, Matamoros. Can you authorize me to cross river at order of Consul to protect consulate and American interests? Demand made upon Americans for money tonight. Answer."

Captain Head has confirmed request by telephone. I am repeating to you his message for your information.

Governor Colquitt has just telephoned me that Mexican commander at Matamoros has 750 troops and has threatened to blow up the American consulate if the $20,000 demanded is not forthcoming by midnight. In view of the above, am I authorized to send a troop or two of the Third or Fourteenth Cavalry by rail to Brownsville. Please rush answer.

Following telegrams this date to Commanding General, Southern Department, San Antonio, Texas, repeated for your information:

Replying to your telegram relative to conditions at Brownsville. You will not permit United States troops to cross river under any circumstances unless specifically ordered by the Secretary of War. If, in your opinion, conditions at Brownsville warrant sending a troop of Fourteenth Cavalry or other troops under your command to that point, you are authorized to do so. Any troops sent to Brownsville will be governed by the general instructions governing United States troops at other points on the international border.

Notify Governor Colquitt, in reply to his telegram, that you have received authority to send United States troops to Brownsville.

HENRY L. STIMSON.

File No. 812.00/6534.

The Acting Secretary for Foreign Affairs of the Vásquez Gómez Provisional Government to the Secretary of State.[1]

[Translation.]

PALOMAS, CHIHUAHUA, *February 25, 1913.*

TO THE SECRETARY OF STATE OF THE
UNITED STATES OF NORTH AMERICA:

The Provisional President of the Revolution of the United Mexican States has ordered me to inform your excellency, through the

[1] Received March 6; communicated to the Ambassador March 17; filed March 21.

Department of Foreign Affairs of the Provisional Government, for the purpose of convincing the Government and people whom you represent, of the formation and existence of the Provisional Government of Mexico, and of the functions which it is performing, all for the proper purposes.

The principal purpose of the Revolution begun in 1910 was to meet urgent needs existing among the Mexican people. It was proposed, by the powerful hand of the nation, to store up the great quantities of water which flow through our territory; to buy up large tracts of uncultivated land for the purpose of dividing and distributing it among the poor farmers in order to form a system of small agricultural holdings and in this way bring under cultivation the large tracts of arable land which we have in Mexico and which is now of no use to any one; and furthermore to develop agricultural instruction among our inhabitants in order to fit them for the struggle for existence, thus elevating their intellectual, moral and economic condition.

The triumph of the revolutionary arms in May, 1911, established new officials, but as they did not proceed to satisfy the aforementioned needs, the armed revolution continued its course against the new high officials, at the head of whom was Francisco I. Madero.

After various events which it is unnecessary to relate in this note, whatever may be their importance, General José Inez Salazar, Commander in Chief of the revolutionary forces of the North, and his lieutenants, saw fit to call upon the candidate of the Revolution for the sane and honorable purpose of forming a Provisional Government in order to organize the revolutionary forces, direct the policy of the Revolution, and enact laws by which to solve the agrarian problem, that is, the storing up of our waters, the formation of small agricultural holdings, and the practical education of the Mexican people in the labors which will fit the members thereof for the struggle for existence. Consequently, upon the arrival of the candidate at this camp, the principal members of the revolutionary forces met and made the following declaration for the purposes indicated:

Licenciado Emilio Vásquez Gómez is hereby declared Provisional President of the United Mexican States, to preside over and direct the affairs of the Revolution and enact laws relating to the agrarian problem, being empowered immediately to form a Cabinet composed of such persons as he may deem suitable, all for the purpose of carrying on the Revolution according to the plan of San Luis as revised at Tacubaya and Villa de Ayala, directing the domestic and foreign policy of the Revolution. Second: It was resolved to communicate this to all the revolutionists of the Republic.

With a view to carrying out the mission intrusted to it, the Provisional Government, through the proper executive departments, has enacted various measures the chief of which are the following:

1. Confirmation of General José Inés Salazar as Supreme Commander of the revolutionary forces of the North.

2. Rules to govern the revolutionary forces, prescribing [etc.]

3. Decree opening to foreign commerce the customhouse of Palomas.

4. Law organizing all persons confined in jails for common-law crimes, in order to execute the works connected with storing up waters throughout the national territory.

5. Law imposing on the Provisional Government, when the Revolution triumphs, the obligation to buy up uncultivated lands and divide and distribute them so as to introduce a system of small agricultural holdings throughout the Republic.

I inclose a copy of all these decrees, and as your excellency will see, the existence and operation of the Provisional Government of the Revolution in the United Mexican States is an actual fact. These two important circumstances, the orderly and regular movement of its forces, the guaranties which it gives to all persons and interests within the jurisdiction under its sway, and the tremendous benefit which it procures to the Mexican people and all persons residing in the country by solving the agrarian problem in the way it does, cause the Provisional Government of the Revolution to exert the only powerful influence on the public mind of the country.

The City of Mexico alone is excepted from this influence, but this is due solely to the violence of the events which have just occurred in that city.

What has been stated, and the honesty and morality which characterize the conduct of both the officials and the forces of the Provisional Government, which moreover exclusively dominate a considerable area of territory, suggest the suitability of its being recognized just as every government is recognized which operates honorably and with high purpose in behalf of the people and of humanity.

The undersigned hopes that your excellency will kindly give an account of this note to your Government for all proper purposes.

The undersigned expresses [etc.]

For the Assistant Secretary of Foreign Affairs, absent on a special mission:

INES SALAZAR.

File No. 812.00/6394.

[Telegram—Paraphrase.]

The American Ambassador to the Secretary of State.

AMERICAN EMBASSY,
Mexico, February 26, 1913—4 p. m.

46. I have the honor to submit the following for the consideration of the President and the Secretary of State.

The Government of Madero during its entire existence was anti-American; neither appeals nor veiled threats affected it in its incomprehensible attitude; during the last three, and perhaps six, months of its existence it presented the aspect of a despotism infinitely worse than that which existed under General Díaz. Though the new Government resulted from an armed revolution and at certain critical stages events occurred for which the responsibility has not yet been definitely fixed, and which must be deplored by the civilized opinion of the world, it nevertheless assumed office according to the usual constitutional precedents, and therefore is, in my opinion, clothed with the form of a representative Provisional Government. The new administration is evidently approved and accepted by Mexican public opinion and especially by the more respectable part thereof; it is equally approved and accepted by the for-

eign elements in Mexico; the Cabinet is united, active, and moderate in its policy, acting in full concert with the President, with prevailing public opinion, and with the army. Anti-American sentiment has almost entirely disappeared and the new Government is showing decided pro-American proclivities. The prospects for settlement of all of our existing complaints against Mexico in a prompt and just way are excellent. If this Government can not be maintained, chaos must inevitably result and the demands and necessity for intervention could hardly be resisted.

Moved by these considerations, which I believe to be also entertained by my colleagues, I am endeavoring in all possible ways, and frequently on my own responsibility, to aid this Government to establish itself firmly and to procure the submission and adhesion of all elements in the Republic. It is assumed that in the course which I have adopted I have the approval of the Department of State and the President, and an expression to that effect will enable me to proceed with great vigor and more confidence in a delicate question, work which I believe to be not only in the interest of our Government but also in the interest of the peace of this continent.

WILSON.

File No. 812.00/6425.

The Governor of Coahuila to the President.

[Telegram.]

EAGLE PASS, *February 26, 1913.*

The Mexican Nation condemns the villainous coup-d'-état which deprived Mexico of her constitutional rulers by cowardly assassination, but is aware that its institutions are alive and is disposed to sustain them. I am certain that both the Government of Your Excellency as well as that of your successor will not accept the spurious government which Huerta is attempting to establish upon crime and treason, but will proceed with circumspection towards the social and political interests of our country.

V. CARRANZA.

File No. 812.00/6399.

The Secretary of War to the Secretary of State.

[Telegram.]

WAR DEPARTMENT,
Washington, February 27, 1913.

Following telegram of February 26, 1913, from Commanding General, Southern Department, Fort Sam Houston, Texas, repeated for your information:

Following received this date from commonding officer, Eagle Pass:

"Colonel Carranza informed Consul Ellsworth, Piedras Negras, today that he would open customhouse and other Government offices in name of Carranza at once and that he was expecting to defend town against Huerta forces. Guard of Federal soldiers who came in with railway pay car were disarmed today and

confined. Rebel authorities closed bridge last night after nine o'clock. Forty mounted men left last night to occupy towns above here in name of Carranza. Conditions quiet on both sides river. Fully two thousand refugees now in Eagle Pass. Have placed guard on both bridges and patrol in town to aid local authorities in case of stampede from Piedras Negras, looked for at any time. Commanding Officer Clark has sent additional troops today. This gives ample force to handle any situation that may arise here. Rudolph and Gabriel Madero, brothers of late President, arrived here today coming overland."

HENRY L. STIMSON.

File No. 812.00/6400.

The American Consul at Ciudad Porfirio Díaz to the Secretary of State.

[Telegram.]

AMERICAN CONSULATE,
Eagle Pass, February 27, 1913.

Colonel Carranza with his about 200 State troops is still in complete possession of customhouse, telegraph office, etc., in fact of everything else in C. P. Díaz; and advices have been received indicating that forces of the Federal Government are moving towards C. P. Díaz. Spanish subjects ask my good offices as they have no consul in C. P. Díaz. Movement of Mexican families from C. P. Díaz to Eagle Pass continues. Nothing alarming or disagreeable has occurred up to this time although much excitement prevails.

LUTHER T. ELLSWORTH.

File No. 312.11/1198.

The American Ambassador to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN EMBASSY,
Mexico, February 27, 1913—noon.

51. My February 22, 6 p. m., and February 24, 8 p. m.

Mr. de la Barra told me last night the matters submitted to him in my memorandum and discussed in my letter to General Huerta yesterday received the attention of the Cabinet. He believed everything could be arranged satisfactorily to the Embassy, and will meet me on Friday to inform me definitely concerning the conclusions of this Government.

WILSON.

File No. 812.00/6412.

AMERICAN EMBASSY,
Mexico City, February 27, 1913—1 p. m.

52. Zapata, Salazar, Argumedo and all rebel chiefs in Vera Cruz and Nuevo Laredo have submitted to the Provisional Government. Orozco has announced his adherence. Difficulties still exist in the States of Coahuila, Sonora, Chihuahua and Durango.

WILSON.

File No. 812.00/6406.

The American Consul at Nogales to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN CONSULATE,
Nogales, February 27, 1913—2 p. m.

Rebel forces gathering in eastern Sonora to oppose Huerta Government. Situation of Americans may become serious if railway communication is discontinued.

SIMPICH.

File No. 812.00/6408.

The American Consul at Nuevo Laredo to the Secretary of State.

[Telegram.]

AMERICAN CONSULATE,
Nuevo Laredo, February 27, 1913—5 p. m.

A peace commission will meet in Nuevo Laredo this evening, composed of the following persons: Lieut. Manuel Carea Aldape, Delio Marcus Canton, Perrajon Lupez, José M. Garza, Ramon and Ricardo Garcia Granados, representing the States of Sonora, Chihuahua, Nuevo Leon, Coahuila, and Tamaulipas. The object of the meeting is to agree on a basis for permanent peace for Mexico.

GARRETT.

File No. 812.00/6369.

The Secretary of State to the American Consul at Ciudad Juárez.[1]

[Telegram.]

DEPARTMENT OF STATE,
Washington, February 27, 1913—8 p. m.

In order not to hinder the efforts of the administration at Mexico City to come to an understanding with the insurrectionary leaders in northern Mexico, the Department has today requested the Departments of War, Justice, the Treasury, and Commerce and Labor to withhold all action against the insurrectionary leaders who may enter the United States for the purpose of holding certain conferences at San Antonio, Texas. After conferring with the officials of the various Departments mentioned in the United States opposite your post, inform the insurrectionary leaders that they are at liberty to proceed to San Antonio for the conferences which it is proposed to hold there.

KNOX.

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[1] The same to Nuevo Laredo and Ciudad Porfirio Díaz.

File No. 812.00/6369.

The Secretary of State to the Secretary of War.[1]

[Telegram.]

DEPARTMENT OF STATE,
Washington, February 27, 1913—midnight.

Referring to the Department's telegram to you of February 23, 1913, I have the honor to state that the Department is in receipt, through the Mexican Embassy at this capital, of a request from the present administration in Mexico that David de la Fuente and the persons who accompany him be permitted to proceed to San Antonio, Texas, there to hold certain conferences in which the administration at Mexico City is greatly interested. I therefore have the honor to suggest, for the reasons given in the telegram above referred to, that De la Fuente and such other insurrectionary leaders and men as are necessary to the proposed conferences at San Antonio be permitted for the present to enter the United States and freely to move about as the necessities of the conferences may demand. This suggestion applies equally to insurrectionary leaders who may be at Ciudad Porfirio Díaz, Nuevo Laredo, and elsewhere along the American border and whose presence at the conferences may be essential.

KNOX.

File No. 812.00/6369.

The Department of State to the Mexican Embassy.

MEMORANDUM.

The Department of State begs to say to the Embassy of Mexico with reference to its memorandum No. 265, of February 25, 1913,[2] in which the interposition of the good offices of the Department is requested to the end that David de la Fuente and certain persons who accompany him may be permitted to proceed to San Antonio, Texas, there to hold certain conferences, that this matter has been called to the attention of the Departments of War, Justice, the Treasury, and Commerce and Labor, with a suggestion that De la Fuente and his associates be permitted to go to San Antonio as requested.

DEPARTMENT OF STATE,
Washington, February 27, 1913.

File No. 312.11/1207a.

The Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 27, 1913.

46. The following telegram from the Mexican Foreign Office to the Mexican Embassy here was handed to the Department today. Translated it reads:

In the interview which I had today with the Ambassador of the United States I told him that I would proceed in accord with the spirit of cordiality which

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[1] The same to the Attorney General, the Secretary of the Treasury and the Secretary of Commerce and Labor, with the following introductory paragraph:

"With reference to my telegram to you of February 23, I have the honor to quote the following telegram which I have just sent to the Secretary of War and to request corresponding action on the part of your Department in matters pertaining to it."

[2] Not printed.

governs the relations of the two countries and animated by my personal feelings of friendship towards the Government of the United States so that all the matters which might come up to me for consideration and which are pending in this Department might be settled on terms favorable to the interests of the two countries; that I was convinced that the excellent disposition shown by that Government would produce results beneficent in all ways and that it is highly appreciated by the people and Government of Mexico.

This is a mere generality, entirely inadequate and unresponsive to what was expected in answer to the Department's instruction No. 29 of February 23, 11 p. m. [No. 25 of February 21, 11 p. m.?], i. e., nothing less than specific and binding commitments.

KNOX.

File No. 312.11/1208.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico City, February 28, 1913.

Department's No. 46, February 27, 2 p. m. I think the Department misinterpreted De la Barra's telegram owing to its involved statement. It was not intended to be definite and conclusive but simply an expression of the good will with which he has taken up his task.

WILSON.

File No. 812.00/6436.

The American Vice Consul at Nogales to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN CONSULATE,
Nogales, February 28, 1913.

Consular agent at Cananea, Sonora, telegraphs:

The present state of affairs is very unfavorable. Revolution has broken out. Troops wanted.

SIMPICH.

File No. 812.00/6435.

The American Vice Consul at Nogales to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN CONSULATE,
Nogales, February 28, 1913.

Ex-Governor of Sonora, Maytorena, fled last night. Reported to have gone to the United States. Situation very doubtful.

BOWMAN.

File No. 812.00/6434.

The American Consul at Hermosillo to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN CONSULATE,
Hermosillo, February 28, 1913.

A majority of the people in the State [of Sonora] are against the Provisional Government and it may be impossible for the State Government to control them.

HOSTETTER.

File No. 812.00/6394.

The Secretary of State to the American Ambassador.

[Telegrams—Paraphrases.]

DEPARTMENT OF STATE,
Washington, February 28, 1913—8 p. m.

58. Your 46, February 26, 4 p. m. The Department perceives no reason to doubt the usefulness of such unofficial activities undertaken upon its own responsibility by the Embassy and always kept within the limits of cautious circumspection.

KNOX.

File No. 812.00/6431a.

DEPARTMENT OF STATE,
Washington, February 28, 1913—9 p. m.

59. With practical unanimity the American press treated as inadequate the explanations made by the Huérta régime in regard to the death of Madero and Pino Suárez, and is consequently expressing its horror thereat. Having by inadequate precautions made possible that horrible occurrence those responsible can not expect to escape public suspicion, and this Department is naturally obliged to decline to express itself on that painful subject pending the results of the promised thorough judicial investigation. The Embassy will, of course, perceive the necessity of extreme circumspection and the importance of bearing clearly in mind the reserved attitude which this Government is maintaining in the present situation.

The Department is giving rather fully to the press the substance of the Embassy's reports on the situation and will also explain it to the British Embassy here.

The policy of the President as to recognition, which has already been made so clear to the Embassy, seems to call at present for no more specific instructions as to the course to be pursued, unless it be to point out to the Embassy that the exact forms of correspondence and modes of address, whether they be maintained as usual or whether the de facto officials be addressed by name with et ceteras added, are not in themselves very material so long as the exact attitude of the United States and the theory upon which it is dealing

with the Mexican authorities is made quite clear to them. They are, of course, as follows:

The Government of the United States is in de facto relations for the purpose of transacting all business with those in de facto control, who are the only effective authority in evidence. Whether the recent resignations under duress and the subsequent proceedings of the Mexican Congress suffice under the Mexican law to clothe the present régime with such de jure status as attached to the interim government of De la Barra is a question into which the Government of the United States is not now obliged to enter.

A distinction may be drawn between de facto relations with a de facto government and formal recognition of such government, just as the same distinction may be drawn between de facto relations with and formal recognition of a normal and permanent government. Formal recognition would in either case require some formal act of recognition, as, for example, the formal reply to a note announcing the new government or the receiving or accrediting of an ambassador. Any such formal act of recognition is to be avoided just at the present. In the meantime this Government is considering the question in the light of the usual tests applied to such cases, important among which are the question of the degree to which the population of Mexico acquiesce in and assent to the new régime and the question of disposition and ability to protect foreigners and their interests and to respond to all international obligations.

Just now the issuance by the Department of a public statement on the subject of the recognition question appears to the Department to be unnecessary.

The Department realizes, of course, that the paramount interests of the Government of the United States, namely, the safety of American citizens and their interests in Mexico, will be subserved by the consolidation of warring factions. Therefore, directions have been given to relieve the movements of De la Fuente and others from the various restrictions which surrounded them under the neutrality statutes while the former Government, against which they were in revolt, was still in control. This will enable them to confer and to repair to Mexico City by way of the United States.

The question of the propriety of some modification of your telegram to all consular officers in Mexico, quoted in the Embassy's No. 31, February 23, 6 p. m., will doubtless have suggested itself to you. The present instruction is intended to supplement the Department's recent instruction and to be responsive also to the Embassy's telegrams of the last few days.

KNOX.

File No. 312.11/1209.

The American Ambassador to the Secretary of State.

[Telegram—Extract.]

AMERICAN EMBASSY,
Mexico, February 28, 1913—midnight.

58. Mr. de la Barra began our interview today by saying that he wished our conversation to be considered as friendly and unofficial

and not for a moment binding the Provisional Government in any wise, as it was simply an exchange of ideas to lead to a definite settlement.

He first took up the Chamizal case. * * *[1]

As I started to leave he expressed the hope that in view of the earnest efforts the Provisional Government was making to meet our wishes and to establish order our ships might be retired from Mexican waters and our activity on the border moderated.

I replied that our military preparedness had no reference to the question between Mexico and my Government, but was aimed solely to afford protection to Americans and other foreigners in the event that the naval force was not able to meet its obligations.

I added, further, that if it should become evident that I could not accomplish promptly and effectively the instructions of my Government in these matters I intended to tender my resignation, as I had been working for two years to get justice and was not disposed to wait two weeks longer.

This latter statement seemed to cause a profound impression, as I intended it should.

WILSON.

File No. 812.00/6619.

The Provisional Governor of Sonora to the President.

[Telegram.]

SAN ANTONIO, TEXAS, *February 28, 1913.*

THE PRESIDENT: I take the liberty as a member of the National Congress of Mexico to enter protest against the recognition of the spurious government now attempting to be established by Huerta. President Madero never resigned and the alleged resignation presented to Congress was a forgery. There was no quorum present and the majority of members present were intimidated and coerced into approval by the display of soldiers and armed forces. The assassination of our constitutional rulers brings a serious responsibility upon those now seeking recognition.

R. V. PESQUEIRA.

File No. 812.00/6439.

The Acting Secretary of Commerce and Labor to the Secretary of State.

[Telegram.]

DEPARTMENT OF COMMERCE AND LABOR,
Washington, February 28, 1913.

Referring to your telegram of this date. Following telegram has been sent to supervising inspector, Immigration Service, El Paso, Texas:

At request State Department, permit David de la Fuente and persons accompanying him proceed San Antonio, there to hold certain conferences; same privi-

[1] This part of the telegram is printed under Claims, p. 941.

lege to be accorded other insurrectionary leaders and necessary men for like purpose. This includes leaders who may be at Ciudad Porfirio Díaz, Nuevo Laredo, and elsewhere along border whose presence may be essential.

CABLE.

File No. 812.00/6443.

The American Consul at Nuevo Laredo to the Secretary of State.

[Telegram.]

AMERICAN CONSULATE,
Nuevo Laredo, March 1, 1913—9 a. m.

Peace commission held harmonious session here yesterday and departed this morning for El Paso via San Antonio. In addition to those named in my February 27, 2 [5] p. m., the following personnel are included in the party: Pasqual Orozco, sr., Andres Garze Galan, Cristoforo Caballero, José Cordova, Rafael R. Flores, Nicanor Valdez, Indalecio Vara, Juan Garza Galan, and Adolfo Fuentes.

GARRETT.

File No. 812.00/6446.

The American Ambassador to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN EMBASSY,
Mexico, March 1, 1913—10 a. m.

59. My February 28, midnight. At the interview referred to therein, Mr. de la Barra informed me that the British Minister had submitted to him certain telegraphic exchanges with his Government relative to the recognition of the Provisional Government of Mexico and that he [Mr. de la Barra] had discovered that the British Minister had raised the question of the Government's culpability in the death of Madero as a reason for withholding recognition. Mr. de la Barra stated to me that he had verbally resented in the strongest way such aspersions on the action of the Government and that he had left [no?] room for doubt that his action was distinctly disagreeable to Provisional Mexican Government.

WILSON.

File No. 812.00/6447.

AMERICAN EMBASSY,
Mexico, March 1, 1913—11 a. m.

60. Carranza, Governor of Coahuila, has submitted unconditionally to the Provisional Government; also Luis Meza, who was operating in the State of Durango. Cheche Campos and Argumedo have enlisted their forces under the Government and have been sent to San Luis Potosí to aid the Government in suppressing the still existing bandits there. Aguilar has been assigned by the Government with the troops which he surrendered to the command of the district surrounding Tahuacan. It looks now as though adhesion to the Provisional Government would be general.

WILSON.

File No. 812.00/6521.

The American Consul at Hermosillo to the Secretary of State.

[Extract.]

No. 522.] AMERICAN CONSULATE,
Hermosillo, March 1, 1913.

SIR: I have the honor to report that conditions are assuming a very serious aspect. * * * The State Government has notified the Central Government that for the present it would remain a spectator and after finding out the true conditions and that most of the other States have recognized the Provisional Government they would do the same. * * * The Ambassador has sent me the following:

MEXICO, *February 26, 11 a. m.*

You should exert yourself without ceasing to bring about the general submission to the Provisional Government, at the same time urging the State representatives to display prudence and justice. Move actively in this matter and report promptly to the Embassy. The Provisional Government is being generally adhered to throughout the Republic and is showing great firmness and activity.

I have been working with these people ever since Madero was arrested and had finally secured their promise of recognition when the assassination of Madero occurred and stopped all recognition. The majority of the people in the State are not at all in favor of General Huerta on account of these assassinations. * * *

I have [etc.]

LOUIS HOSTETTER.

File No. 812.00/6449.

AMERICAN EMBASSY,
Mexico, March 2, 1913—9 p. m.

69. I am informed by the National Railways officials that armed bodies of men continue to cut the railways at various points and burn bridges, especially between San Luis Potosí and Monterey, where Carranza, though formally submitted to the Government, is in arms. The Government informs me that they are gradually surrounding him and will suppress the movement quickly.

WILSON.

File No. 812.00/6461.

The American Consul at Ciudad Porfirio Díaz to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN CONSULATE,
Ciudad Porfirio Díaz, March 2, 1913.

Colonel Carranza has demanded that the foreign merchants in Ciudad Porfirio Díaz raise ten to twenty thousand dollars to pay and feed the State volunteers or he can not and will not be responsible for depredations. The mayor of Ciudad Porfirio Díaz is not and has not been in accord with the colonel and says he did not ask for

assistance in maintaining order in the city; does not need the State volunteers and prefers that they leave. But I am positive the colonel will not leave. The foreign merchants have decided that they will not contribute a dollar; therefore the state of affairs in Ciudad Porfirio Díaz may result in peril to the Spanish, German and other foreigners and foreign interests. The volunteers are refusing to permit foreigners, except Americans, to pass over to Eagle Pass this morning, although the colonel and his collector of customs promised me yesterday that they would allow foreigners to pass over. The foreign merchants have presented a written request on me, as the represenative of friendly nation, to the effect that they are absolutely without protection and in actual danger of their lives and interests. Please instruct.

LUTHER T. ELLSWORTH.

File No. 812.00/6455.

The American Consul at Ciudad Juárez to the Secretary of State.

[Telegram—Extract.]

AMERICAN CONSUL,
Ciudad Juárez, March 2, 1913.

Revolutionary conditions in this district generally do not improve as rapidly as promised by the supporters of the new Government. Indications are that the opposition army is larger than a month ago and that the Federal army is not so strong.

EDWARDS.

File No. 812.00/6451.

The American Consul General at Monterey to the Secretary of State.

[Telegram.]

AMERICAN CONSULATE GENERAL,
Monterey, March 2, 1913.

The State of Coahuila is in revolt. City of Saltillo quiet but entirely cut off by rail, mail and telegraph for more than a week.

HANNA.

File No. 812.00/6461.

The Secretary of State to the American Consul at Ciudad Porfirio Díaz.

[Telegram—Extract.]

DEPARTMENT OF STATE,
Washington, March 3, 1913—2.17 p. m.

Your March 2. In connection with your first duty, to insist on protection of Americans and their interests, you are authorized to use your good offices in all proper cases to assure as far as possible the safety, efficient protection, and welfare of other foreigners in

your district, and you may use such good offices in gaining the acquiescence of the local authorities in any just requests made by other foreigners in so far as you may be desired to interest yourself in such matters.

As to the refusal to allow foreigners to leave, you may, informally and unofficially but none the less earnestly, say to the local authorities that this Government regards such procedure as absolutely irregular and unwarranted in the circumstances, and that foreigners should be immediately permitted to leave if they desire to do so and should, indeed, be given all possible facilities and protection in their movements.

KNOX.

File No. 812.00/6489.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Mexico, March 3, 1913—7 p. m.

74. At a consultation with my British and German colleagues this morning, and with the approval of the entire Diplomatic Corps, it was agreed that at the conclusion of the reception of the Diplomatic Corps by Mr. de la Barra I should hand him the following memorandum:

The Diplomatic Corps has entered into communication with the Provisional Government without committing themselves in any way as regards formal recognition, which is left to their respective Governments to determine when such recognition shall be afforded.

This was done in order that no misinterpretation of our attitude toward this Government should be made and our attitude evidences that such was the case. Department will observe that it is worded in such a way as not to offend the sensibilities of this Government. It is understood between the Diplomatic Corps and Mr. de la Barra that this action was taken solely for our protection and not to be made public. The Brazilian, Norwegian, Chilean, and Austrian diplomatic representatives formally informed me this morning that in all matters of recognition of this Government their actions would accord with those of this Embassy. The other Latin-American representatives concur but have not formally stated their concurrence. The German and British Ministers also concur in this as in everything else. The Spanish Minister advises me that he intended to recommend the immediate formal recognition of this Government, but after learning the views of all of his colleagues he informed me that he would await the Embassy's action; he, however, thinks that the Government should be recognized the moment it has clearly demonstrated its ability to maintain practical order and has satisfied the Department as to its intention to deal promptly and justly in the matter of our complaints.

WILSON.

File No. 812.00/6498B.

The Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, March 3, 1913.

The following report of firing across the border on March 2 near Douglas has just been received:

While patrolling two miles west of Douglas, Lieutenant W. C. F. Nicholson with three men was fired on by forty or fifty Mexicans from a point across the boundary. The lieutenant with his men rode toward them merely to investigate which side of the boundary the Mexicans fired from. He made no hostile demonstration but before he had an opportunity to speak to them they fired about fifty shots at him from about ten yards. Sixteen other patrols came up to support Nicholson, having heard the shots. Nicholson thereupon returned the fire, held his position, and was later reinforced by Troops E and F, Ninth Cavalry, Captain Armstrong; these troops also fired on the Mexicans, who retreated, firing, and were finally dispersed in disorder. At least a thousand shots were interchanged. At least six Mexicans killed. No American casualties.

I arrived during the engagement, with Inspector of Immigration Heath, Deputy Marshal Hopkins and my Secretary, and can vouch for the information.

MORRISON,
United States Attorney.

You may say to the Government that the information received by the Department seems to show that the aggressors were the Mexican troops and the action of the United States troops was the perfectly justifiable action of repelling what is known in international law as foreign invasion of national territory.

For any discreet use that may seem necessary, you are informed that although Colonel Guilfoyle had ordered patrols if fired upon to return fire and pursue regardless of international boundary, the following instructions have been sent him by General Bliss in command of the army headquarters at San Antonio, Texas.

In case of intentional firing from Mexican side upon persons on the American side your proposed action in using rifle fire when necessary to stop such shooting is approved. If the firing from Mexican side consists of random shots accidentally reaching our side you will use every proper means to induce citizens to temporarily withdraw from zone of fire but you will not in any event send or allow any armed American troops to cross the border without specific instructions to that effect from these headquarters or the War Department. Keep these headquarters fully advised of the situation and report any important action taken by you.

With reference to the Department's past telegrams on the subject of the situation at Cananea and elsewhere in northern Sonora, you should impress upon the administration at Mexico City the paramount necessity of taking steps adequate to control the situation in that section. The Department is apprehensive that if feeling should run unusually high as a result of the apparently quite unwarranted and deplorable action of the Mexican troops near Douglas, the safety of Americans and American interests in northern Sonora will be seriously jeopardized and that a situation may be created which will be most difficult for this Government to deal with and which

may permanently injure the administration at Mexico City and materially retard, if not quite frustrate for the present, the efforts to control and pacify the northwestern region of Mexico.

KNOX.

File No. 812.00/6487.

The Secretary of War to the Secretary of State.

[Telegram.]

WAR DEPARTMENT,
Washington, March 3, 1913.

Following telegram, March first, from Commanding General, Southern Department, San Antonio, Texas, repeated for your information:

Following telegram from Colonel Guilfoyle, Douglas, Arizona, this date, just received:

"Information obtained from intercepted letter indicates concentration of Maderistas and probable trouble at Naco, Mexico, tomorrow. I have directed commanding officer of two troops at Naco to use rifle fire if necessary to stop shooting in American town as one of our patrols was this morning fired upon from the Mexican side. I have ordered all patrols in future to return fire and if necessary pursue regardless of international boundary."

I have instructed Colonel Guilfoyle as follows:

"In case of intentional firing from Mexican side upon persons on the American side your proposed action in using rifle fire when necessary to stop such shooting is approved. If the firing from Mexican side consists of random shots accidentally reaching our side you will use every proper means to induce citizens to temporarily withdraw from zone of fire but you will not in any event send or allow any armed American troops to cross the border without specific instructions to that effect from these headquarters or the War Department. Keep these headquarters fully advised of the situation and report any important action taken by you."

HENRY L. STIMSON.

File No. 812.00/6477.

The American Consul at Ciudad Porfirio Díaz to the Secretary of State.

[Telegram—Extract.]

AMERICAN CONSULATE,
Ciudad Porfirio Díaz, March 4, 1913.

The Governor of Coahuila, Carranza, has submitted to the Consulate at Saltillo a proposition directed to the American Embassy demanding the resignation of the Chief Executive of the Provisional Government and suggesting Lascurain for President. It will be transmitted.

The Governor says he has 12,000 well armed men. He probably has half that number. There appears to be no longer any hope of the Governor submitting to the Provisional Government.

ELLSWORTH.

File No. 811.001W69/2.

The American Ambassador to the Secretary of State.

[Telegram.]

AMERICAN EMBASSY,
Mexico City, March 4, 1913.

General Felix Díaz called at the Embassy early this morning to pay his respects to the Ambassador and requested him to have the kindness to convey his hearty compliments and good wishes to His Excellency the President and the people of the United States on the inauguration day of a new administration. General Díaz said that while he had no official position he felt that inasmuch as he has at all times been a sincere friend of the American people and a decided admirer of American institutions, the example of which he considered of great value to the world and especially to the American countries, he could not refrain from reiterating the above sentiments on a day of so great significance to the people of the United States. The Embassy will be glad to deliver to General Díaz such reply as the President may care to make.

WILSON.

File No. 812.00/6503.

The American Vice Consul at Nogales to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN CONSULATE,
Nogales, March 5, 1913.

It is reported that the Congress of the State of Sonora decided today that it can not accept the Provisional Government.[1] Bridges are being destroyed by order of the State Government to prevent Federal troops from arriving at Hermosillo.

BOWMAN.

File No. 812.00/6505.

The American Ambassador to the Secretary of State.

[Telegram—Extract.]

AMERICAN EMBASSY,
Mexico, March 5, 1913—5 p. m.

77. The State of Coahuila appears to be the center of the most formidable opposition to the Provisional Government, and Carranza, the former governor, is in arms again, after repeated protests of loyalty, at the head of about 1,500 men. The Department will note that at the present time only Coahuila refuses submission to the Federal Provisional Government and that Sonora's position is undetermined. In the northern part of the State of Nuevo León some rebel bands are evidently cooperating with Carranza. The States which have submitted represent 90 per cent of the people of Mexico

[1] Confirmed by the Consul on March 6.

and order has been reestablished over three-fourths of the territory they represent. In order that the Department may not be misled by the character of Carranza's rebellion, I must inform it that he is not a Maderista, but constituted one of the league of northern governors, whose plans for the formation of an independent republic were interrupted by the Díaz revolution.

WILSON.

File No. 811.001W69/2.

The Secretary of State to the American Ambassador.

[Telegram.]

DEPARTMENT OF STATE,
Washington, March 5, 1913—7 p. m.

78. Your March 4, conveying a message to the President from General Felix Díaz. The President desires you to say orally to General Díaz that his message is highly appreciated, that his good wishes are reciprocated, and that he hopes the restoration of peace and prosperity throughout Mexico will soon be brought about.

BRYAN.

File No. 124.126/26.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, March 5, 1913—10 p. m.

81. The Embassy has not received any direct mail from the United States for nearly a month except from the Pacific coast. During all this time communication has been open via Vera Cruz and Tampico. British and European mail matter dated 15th has been received. This indicates a lack of activity and I urge that representation of a forcible character be made.

WILSON.

File No. 812.00/6522.

The American Consul at Hermosillo to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN CONSULATE,
Hermosillo, March 6, 1913—5 p. m.

Fearing that the Provisional Government is entirely too weak to combat the situation in Sonora and can not send reenforcements, I have suggested to the Embassy that it would be good policy for the Provisional Government to withdraw all their troops from the State, as they are a menace instead of a protection. State troops will guarantee to restore peace and order in a week and also finish Yaqui campaign. After peace is restored will send a commission, consisting of members of Chambers of Commerce of Guaymas and Hermosillo, to Mexico to discuss recognition. I am positive that recognition

can be brought about, otherwise bloodshed and the ruin of State for a long period, as uprising will be very great. All asked for is State rights, free and honest elections, and a payment State troops by Federal Government while in service. I have not heard from Embassy. Excitement is growing worse every minute and, with my suggestion, am sure we can establish peace and confidence as well as arrange matters.

HOSTETTER.

File No. 812.00/6489.

The Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE.
Washington, March 6, 1913—5 p. m.

80. Your action as outlined in your March 3, 7 p. m., is approved. The question of recognition continues to be given careful consideration.

BRYAN.

File No. 812.00/6518.

The American Consul at Ciudad Porfirio Díaz to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN CONSULATE.
Ciudad Porfirio Díaz, March 6, 1913.

The American Consul at Saltillo telegraphs the Department that an urgent telegram from the Embassy to the Governor recommending immediate terms with the Provisional Government was submitted to the Governor, who resents and declines the suggestion, insisting upon the fundamental wrong of the Provisional Government, and announces armed resistance. His strength should not be underestimated.

The Consulate is denied communication with the Embassy. Department please notify Embassy thereof.

LUTHER T. ELLSWORTH.

File No. 812.00/6518.

The Secretary of State to the American Consul at Ciudad Porfirio Díaz.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, March 7, 1913—7.36 p. m.

Your telegram March 6. Inform Consul at Saltillo to protest in the most vigorous manner against any interruption of telegrams from the Consulate.

BRYAN.

File No. 812.00/6542.

The American Consul at Ciudad Juárez to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN CONSULATE,
Ciudad Juárez, March 7, 1913.

All attempts to hold a peace conference on American soil having failed, a special train carrying a number of self-appointed peace commissioners departed for Mexico City to-day. None of the active late insurrectos were in the party.

EDWARDS.

File No. 812.00/6553.

The Constitutional Governor of Sonora to the Secretary of State.

[Telegram.]

TUCSON, ARIZ., *March 7, 1913.*

Sonora, Coahuila, Durango, Campeche, Yucatan, Morelos, and Chiapas, States of the Republic of Mexico, are in armed opposition to the military usurpation of the dictator, General Huerta, and five more States are partially in armed opposition to the same General Huerta. Therefore I, as Constitutional Governor of the State of Sonora, elected by the people of that State two years ago for four years and so recognized, now respectfully ask the Government of the United States not to recognize the usurped Government of General Huerta until the people of the Republic of Mexico have an opportunity to establish a government by the choice of the people. Please acknowledge the receipt of this to me at Tucson, Arizona.

JOSÉ M. MAITORENA.

File No. 812.00/6552.

The American Consul at Ciudad Porfirio Díaz to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN CONSULATE,
Ciudad Porfirio Díaz, March 7, 1913.

I presented your instruction of March 7 to the Consul at Saltillo, in cipher, at the telegraph office. Colonel Carranza, chief of the State volunteers in this district, personally absolutely refused to forward it, and personally ordered the telegraph operator to refuse it. He told me that no telegram to consuls or others would be accepted if in cipher or any other code; that they would be transmitted only when in easily understood Spanish or English. I then sent to the telegraph office a telegram in plain English addressed to American Consul, Saltillo, covering your instructions of today relative to interruptions of telegram from Consulate and Embassy or Department, and that also was refused. The colonel was very abrupt and personally told me in Spanish that your instruction would not go forward because of its contents and he clearly understood that you are Secretary of State of the United States.

LUTHER T. ELLSWORTH.

File No. 812.00/6572.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, March 8, 1913—2 p. m.

91. I learned today from Mr. de la Barra that the Provisional President of Mexico had addressed a telegram of congratulations to President Wilson and that the reply which had been sent was addressed to him as General Huerta and was a simple acknowledgment of his telegram. At the same time he informed me that he had assurances that the British Government had been misled as to the constitutionality of this Government by the Mexican Minister in London, who has been removed, and that recognition by that Government would soon be made. He added his regret that his own telegram of congratulations to the Secretary of State, Mr. Bryan, had received no reply. There is a general inquiry among diplomats here as to when we intend to make formal and definite recognition of this Provisional Government.

HENRY LANE WILSON.

File No. 111.11B84/1.

The Secretary of State to the American Ambassador.

[Telegram.]

DEPARTMENT OF STATE,
Washington, March 8, 1913—2 p. m.

89. I have received the following telegram from Francisco L. de la Barra:

I send to your excellency my most cordial greeting, congratulating the American nation on its having one of its eminent citizens in the high office of Secretary of State. As Minister of Foreign Relations of Mexico I believe that your excellency's administration of the Department of State will mean a resplendent culmination of the spirit of justice and American fraternity in its broadest sense. I hold, therefore, that the relations between our two countries will be characterized by elevated sentiments and that all the questions pending between the two chancelleries will be brought to a satisfactory conclusion.

Unofficially and informally express to Mr. de la Barra my high appreciation of his courtesy in sending this message, and that I harbor the hope not only that the relations between the United States and Mexico will continue to be of the most amicable and cordial character, but that an early settlement of all outstanding questions will be so furthered by a spirit of friendly cooperation on the part of Mexico that there will soon be no matter of dispute whatsoever between the two neighboring countries.

BRYAN.

File No. 812.00/6522.

The Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, March 8, 1913—6 p. m.

91. The telegram of March 6[1] to you from Consul Hostetter at Hermosillo seems to deserve your serious consideration. You will informally and unofficially advise all officials who make inquiry that our Government is deeply interested in the restoration of peace to the end that law may be enforced, that order may be preserved, and that the rights of Americans may be protected. You may also suggest that as disagreements generally arise from misunderstandings or from conflict of interests it is wise to remove misunderstandings by conference whenever possible and to reconcile conflicting interests by mutual concessions where such concessions do not involve an abandonment of sound principles or a surrender of rights. Without any interference on our part in the affairs of our sister Republic, you will exercise such influence as may properly be employed to bring about cooperation between the various elements upon a basis of justice to all at home and abroad.

BRYAN.

File No. 812.00/6522.

The Secretary of State to the American Consul at Hermosillo.

[Telegram.]

DEPARTMENT OF STATE,
Washington, March 8, 1913—6 p. m.

Your March 6, 5 p. m. Since I have not yet had time fully to consider the situation in Sonora, following telegram to the Embassy containing a general satement is quoted to you for your information and guidance: [see *supra*].

BRYAN.

File No. 812.00/6574.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, March 9, 1913—noon.

96. The Department's March 8, 6 p. m. Hostetter's telegram was handed in substance to this Government. I have been sending to the President and the Minister of War every day the substance of all consular telegrams which seemed of value to the Government in restoring order. The Department's telegram precisely reflects my views and I have been following a policy identical therewith.

HENRY LANE WILSON.

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[1] Referred to in the Consul's March 6 to the Department.

File No. 812.00/6607.

The Attorney General to the Secretary of State.

[Telegram.]

DEPARTMENT OF JUSTICE,
Washington, March 10, 1913.

I have the honor to quote for your information the following telegram from United States marshal at San Antonio, Texas:

Referring Department telegram February 28, requesting me take no steps to impede the coming into this country and moving about of insurrectionary leaders for purpose of attending certain proposed conferences at San Antonio, I have to report that to date no such conferences have taken place here and instructions requested relative service of process in this connection.

The Department will be pleased to receive any suggestions which your Department may care to make with reference to the further suspension of the service of process against individuals who may be under indictment for violation of the Federal statutes.

McREYNOLDS.

File No. 812.00/6606.

The American Consul at Ciudad Porfirio Díaz to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN CONSULATE.
Ciudad Porfirio Díaz, March 10, 1913.

The Governor of Coahuila, at Monclova, and Colonel Carranza, here, have just seized the rolling stock shops and their equipment and other property of the Mexican National Railway lines here. Evidently they intend to attempt to operate all the railroad and shops for the benefit of the State cause.

LUTHER T. ELLSWORTH.

File No. 812.00/6611.

The American Consul at Ciudad Juárez to the Secretary of State.

[Telegram.]

EL PASO, TEXAS, *March 10, 1913.*

Reports from the south and west do not show conditions improving. Every indication justifies the claim of the anti-Government faction and they are daily growing in number. It is also becoming apparent that the struggle now augmenting will prove to be a real war.

EDWARDS.

File No. 812.00/6631.

The American Ambassador to the Secretary of State.

[Telegram.]

AMERICAN EMBASSY,
Mexico, March 11, 1913—noon.

98. Carranza, defeated near Saltillo, has retreated to Monclova, where his forces will in all probability be dispersed. This will leave

the revolutionary movement in the north terminated except in the State of Sonora. The attention of the Department should be sharply directed to Sonora and to Lower California, or international complications may be brought about by intrigues on both sides of the frontier.

If any of our consuls have inadvertently been sympathizing with local activities against the Federal Government for supposedly good motives they should, in my opinion, be instructed to avoid such complications and to work for submission to the Federal authorities, by which alone peace can be restored.

The rest of Mexico, so far as the advices of the Embassy are concerned, is at peace except for a revolt of rurales in the State of Guerrero, which I do not consider formidable.

HENRY LANE WILSON.

File No. 812.00/6574.

The Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, March 11, 1913—7 p. m.

97. Your 96, March 9, noon. While the Department is disposed to aid in the reestablishment of peace and order in Mexico in all proper ways, it feels that it would be better not to give to the authorities anything more than a general indication by word of mouth as to conditions in certain various localities, of which you have learned through reports from consuls. Obviously, information of too precise a character might be used in such a way as to militate against a consul's effectiveness, if not actually to jeopardize his safety and freedom of action.

BRYAN.

File No. 812.00/6968.

The American Consul at Saltillo to the Secretary of State.

[Extract.]

No. 175.] AMERICAN CONSULATE,
Saltillo, March 11, 1913.

SIR: * * * Immediately after the announcement of General Huerta as the Provisional President, Governor Carranza, Governor of the State of Coahuila, denounced the new administration. He claimed to know that President Madero had not resigned and insisted that the Provisional President had unconstitutionally assumed the office of the Chief Executive. He held this attitude until noon of February 21.

On the morning of February 21 the Consul was emphatically informed by the Governor that he would not accept the Provisional President and that he would resist with armed forces. He had already demonstrated his purpose by recruiting and arming men.

When the Consul found that he could not prevail upon the Governor to accept the new order of affairs he requested a special train

for the morning of February 22 to permit the foreigners to leave the disturbed district. This was readily granted. This conference was at 10.30. At 12 o'clock the Governor sent his carriage for the Consul and informed him that he, the Governor, had decided to accept the Provisional President. The Department and Embassy were notified of the Governor's acceptance in the telegraphic despatch of February 21, 1 p. m.

On February 22 the American Consul urged the Governor to issue a bulletin announcing his conformity with the new administration. The Governor gave his assurance that a bulletin would be issued as soon as a conference by telegraph, between the Governor and the Provisional President, had been completed. By the night of February 22 the situation became tense as the Governor had not issued the bulletin of acceptance. This was taken as very unfavorable as he had been apparently precipitate in issuing former bulletins.

On the night of February 22 this Consulate received the following telegram in code from the Embassy through the Consul General at Monterey:

Our Ambassador instructs as follows:

"You are requested to inform all consular officers under your jurisdiction by telegraph as follows:

'Provisional Government installed yesterday with General Huerta as President. General public approval in the city, which is perfectly quiet. Reassuring reports come from other places. President Madero is a prisoner awaiting the decision of the Congress in his case. Senate and House of Representatives in full accord with the new administration. You should make this intelligence public and in the interest of Mexico urge general adhesion and submission to the new Government, which will be recognized by all foreign governments today.'"

HANNA.

The Consul called at the Palace on the morning of February 23 to deliver the Embassy's message to the Governor. At this conference the Governor stated that he had been perfectly willing to accept the Provisional Government, but while in conference by telegraph with the Provisional President, he, the Governor, had been cut off from communication by order of the Provisional President. The Governor requested the Consul to try to get into communication with the Embassy and in that way urge the Provisional President to open communication with him (the Governor). In pursuance of this request the Consul sent the following telegraphic despatch in code to the Embassy:

Federal Telegraph Office closed. You will receive this despatch by railroad wire. Governor advises me that his communication with Mexico has been cut by order of the President, and he believes federal troops are approaching to depose him. He reiterates to me his conformity with the new administration. I believe if the President deposes him, he will lose the strongest man in Northern Mexico and a serious mistake will be made.

At 3 p. m., after this telegraphic despatch was sent, Don Miguel Cárdenas, ex-Governor of the State of Coahuila, called at this Consulate to ascertain if any reply had been received. He called again at 5.30, but no reply had been received.

At 6.15 p. m. the Governor addressed a crowd from the Palace balcony, proclaiming his opposition to the Provisional Government, and left the city with his troops for Ramos Arizpe, twelve miles

north-east, on the main line of the National Railroad. The following telegram was sent in code to the Embassy:

February 23, 10 p. m. From the Palace the Governor addressed a multitude this afternoon, the State troops being drawn up around plaza. At 6.15 he went north with a thousand heavily armed cavalry. His word for the Embassy and for Washington was that his overtures to the Government at Mexico had been ignored; that he did not propose to stay in Saltillo and meet the fate of Madero; that he would not resign but that he would go out into the open and fight. That the Government of Mexico was responsible. It is reported here that he will tonight meet and attack at some point north from here Federal troop train, which is reported to be en route from Monterey. It is reported that he will establish his capital at Monclova. The city tonight is in charge of the municipal authorities with hundred and fifty policemen.

This telegram was also sent to the Department but was returned the morning following with the statement that there was no communication with the United States.

On the morning of February 24 the Governor sent a detachment of 80 soldiers to Saltillo to force a loan of 40,000 pesos from the merchants. As soon as the merchants were apprised of this project the German, French and Spanish merchants severally and collectively sent committees to the American Consulate requesting that the Consul represent them in the matter. At a general conference of the merchants of the various nationalities, including Mexican merchants, the Municipal President appointed a committee of three Mexican merchants to confer with Governor Carranza as to the security he would give for this loan, whether the loan would be considered a loan to the State of Coahuila and so secured by the State. To this committee the Consul delivered a verbal message, to be transmitted to the Governor, requesting that he not make any demands upon the foreign merchants. On the morning of February 25 the Governor returned to the Palace and called for a conference with the Consul. In this conference the Consul was assured that this loan would not be forced from the foreign merchants and that at no future time would any demand be made upon the foreigners. The Consul is gratified to report that at no time did any foreigner contribute anything to the Governor or his officers.

In this conference the Consul again urged the Governor to respond to the general call for his acceptance of the Provisional Government. In a short while the Governor reassured the Consul that, if the Consul through the Embassy could induce the Provisional President to accept the Governor's conformity and would communicate with the Governor, either direct or through the Embassy, he would make terms. Subsequent to this interview the following telegram was sent to the Embassy:

February 25, 3 p. m. Referring to his relations with the Federal Government, the Governor requests me to say to the Embassy, as follows:

"The situation is serious and may come to conflict at any moment. Have been unable to communicate with General Huerta. My last message to him remains unanswered. I know the Government is moving forces against this State. This will be the beginning of a new war in the Republic."

I believe it would be advisable for the Embassy to counsel the President to communicate personally and immediately with the Governor, thereby avoiding a conflict with the combined northern States. He depends upon this Consulate and the Embassy to relieve the acute situation. I believe it would be consummate folly to send Federal troops here now. Governor requests that Embassy advise me whether President Madero has been killed as reported.

The Governor was told that in case any reply was received from the Embassy the Consul would immediately deliver it to him, either in Saltillo or at his camp, then at Arteaga, 10 miles east. At 5 p. m. the Governor informed the Consul that he had been apprised of approaching Federal troops and was forced to go out to engage them. The following telegraphic despatch was sent to the Department and Embasy:

February 25, 5 p. m. Governor Carranza has left to engage Federal troops, within ten miles. Fighting reported to have begun. Ex-Governor Cárdenas left an hour ago with a flag of truce. All hope of peaceful settlement abandoned.

As no replies to these despatches to the Embassy were received, the Consul felt that any further hope of reconciling the Federal and State Executives was not well grounded. It is unlikely that the telegraphic despatches of this Consulate reached the Embassy promptly, as communication was very slow.

A newspaper which was brought in on horseback on the 10th states that the Department had invited the opposition leaders through the consuls to meet for conference in San Antonio, Texas. If this published statement is true the Department's instruction has not reached this Consulate.

On February 26 the Governor returned to Saltillo and reoccupied the Palace and continued to muster forces, a part of which he despatched under his brother, Jesús Carranza, to Monclova.

By this time opposition had risen against the Governor among various prominent Mexicans. Some arrests were made. One of the Federal officers who had refused to align himself with the Carranza movement was shot while resisting arrest.

The Municipal President, Dr. Antonio Rodríguez, appealed to the Consul on the morning of February 26 for refuge. He was very much frightened and feared apprehension and execution at the hand of the Governor. He was given refuge until the afternoon of February 27, when ex-Governor Cárdenas informed him that he need have no further fears. Frequent appeals were made to the Consul for refuge, but this was denied to all private citizens of Mexico as the Consul did not feel justified in granting refuge to citizens of the country to which he is designated, especially as the refugees were seeking the protection of the Consulate in order to avoid a forced loan which had been ordered by the Governor.

On March 1 the Governor demanded a loan from the banks and merchants. The foreign merchants again appealed to the Consul, and, upon representation to the Governor, he confined his forced loan to the banks, and March 3 received 75,000 pesos.

On March 1 the following telegraphic despatch was sent to the Embassy:

March 1, 8 p. m. The Governor is now in open and armed opposition to the Provisional Government, I fear beyond reconciliation. My efforts were futile after the President cut communication with him. It is possible that a personal message from the President might still be effective. I suggest as the last resort that the President make a proposition through the Embassy and this Consulate. Local conditions could hardly be worse. Governor has over 1,000 well-armed men. He has disarmed the city police and has liberated and armed prisoners. He has taken all public funds and this afternoon is making heavy demands and threats on the banks and merchants, including foreigners.

Frenchmen, Germans and Spaniards are today urging the protection of this Consulate for themselves and their interests.

On March 1, the following telegraphic instruction, dated February 26, was received from the Embassy:

Mexico, D. F., February 26, 11 a. m. You should display the greatest possible activity in bringing about on the one hand submission and on the other hand a disposition to deal justly, honorably, mildly with the dissatisfied elements. Spare no effort and report to the Embassy promptly. The Provisional Government is being generally adhered to throughout the Republic and is showing great firmness and activity.

The Vice Consul was immediately despatched to Arteaga, the military camp of the Governor, to make the representations contained in the Embassy's telegraphic instruction.

On the morning of March 3, a statement was received from the Governor embracing the propositions to the Embassy contained in the following telegraphic despatch from this Consulate:

March 3, 6 p. m. Governor of this State has submitted a communication to this Consulate directed to the Embassy proposing immediate resignation of the Chief Executive of the Provisional Government; that the President, the leader of the recent revolt and his chief of artillery leave the country; that Lascurain be designated to form a new constitutional government. Governor says he has 11,000 men in the following localities: Saltillo 2,600, Piedras Negras 1,600, Monclova 3,000, Sierra Mojada 1,000, Laguna District 3,000. Probably he has half the number quoted. Governor says that the miners of the north are joining his forces and begging for arms. There appears to be no longer any hope of the Governor submitting to the Provisional Government. He secured a loan of 76,000 pesos today, and assures this Consulate that he will withdraw his demand upon the foreigners for a loan and that there will be no fighting in the city.

It will be seen from the above telegram that there was little hope of the Governor making terms with the Provisional President. This despatch was also sent to the Department.

On March 4, at 10.30 p. m. the following telegraphic instruction was received from the Embassy:

Mexico, D. F., March 4, 6.45 p. m. Assure the Governor that he is rebelling against a legally constituted provisional government which is strongly fortified in the confidence of the country; that his overthrow and defeat appear to the Embassy to be inevitable. With all energy and as a solemn warning, urge upon him the necessity of immediately making terms with the Provisional Government and thus avoiding further shedding of Mexican blood, the destruction of property and the disturbance of the peace of the country.

Immediately upon receipt of the Embassy's telegraphic instruction the Military Commander, Colonel Cos, was sent for, an automobile ordered, and by midnight the Consul and Vice Consul were in conference with the Governor in his camp at Ramos Arizpe, 12 miles northeast. While the Governor received the Consul and Vice Consul with his usual gracious manner, it was evident that the Embassy's communication only provoked resentment. After moderating with him for a season he finally said: "The Consul can report to the Embassy that the Governor is in the fight to stay; that the Governor believes the Embassy to be largely at fault for the present conditions of affairs; that the Governor does not care to receive any further communication from the Embassy."

The Governor was told that it did not become a Consul to deliver such a message to the Embassy, and that he would have to decline to deliver the Governor's message.

The Governor, speaking further, said that he knew that the Embassy's statement—that all countries would acknowledge the Huerta Government on February 21—was incorrect, and that the telegraphic communication was wrong; in fact, he said, that he believed that the United States had not recognized the new administration. The Consul could only reassure the Governor that the United States had recognized the Huerta Government as he had received no advice to the contrary. So far as persuading the Governor to make terms with the Provisional Government the Consul's mission was fruitless.

On March 5, the following telegraphic despatch was sent to the Embassy:

March 5, 1 p. m. Your instruction March 4 submitted to the Governor at his military camp twelve miles north at midnight. Governor resents and declines suggestions of Embassy, insisting upon the fundamental wrong of the Provisional Government. Confidently and defiantly he announces armed resistance. His strength should not be underestimated. The Consulate is denied communication with the Embassy. City well guarded and quiet but situation becoming hourly more serious. Foreigners have been ordered to display their flags.

The Department received this despatch also, and was requested to notify the Embassy, as, at the time, the line to Mexico City was closed. Later on the message was transmitted.

On March 5, the Governor ordered the telegraph operator of the National Railroad to refuse all official telegrams of the Consul unless countersigned by the Governor. A protest was promptly made to the military commander with satisfactory results.

On March 6, Colonel Cos, Military Commander, ordered all delinquents to pay their taxes and licenses within 72 hours. It is not definitely known how much he derived through this project, but it is estimated from 25,000 to 50,000 pesos. * * * [Details of collecting of taxes.]

I have [etc.] PHILIP E. HOLLAND.

NOTE.—The despatch from which the following extracts are taken begins with copies of all the telegrams from the Embassy covering the period February 9-24, 1913, with accompanying comments by the Ambassador; these telegrams, in so far as pertinent to political affairs, have been printed in the foregoing pages. The Ambassador then explains various phases of the situation under the following subheadings.

File No. 812.00/6840.

The American Ambassador to the Secretary of State.

[Extract.]

No. 1901.] AMERICAN EMBASSY,
Mexico, March 12, 1913.

MY DEAR MR. BRYAN: * * *

RELATIONS WITH DÍAZ AND HUERTA.

My attention has been called to articles in certain American newspapers which, either through erroneous information or malicious

intention, seemed disposed to put a false construction on the relations of the Embassy with Generals Huerta and Díaz during the bombardment of this city.

As the Embassy's telegrams treating of these relations were necessarily brief because the transactions with those individuals were extremely limited and not in any way intricate, it may be advisable to furnish the Department with more details at this time.

In preface I may say that I never met or saw General Díaz until the meeting reported in my telegram of February 12, 8 p. m., and that I never exchanged messages, written or verbal, with him other than those reported to the Department in my February 9, 7 p. m.; February 12, 2 p. m.[1]; February 13, 3 p. m.[1]; February 12, 8 p. m.; February 14, 3 p. m.; February 16, 8 p. m.[1]; February 16, 11 a. m.; and February 18, midnight.

I first saw and knew General Huerta in the meeting reported in my telegram of February 15, 11 p. m., and I exchanged with him no other communications, verbal or written, than those which have been furnished to the Department in my telegrams of February 15, 7 p. m.; February 16 1 p. m.[1]; February 16, 8 p. m.[1]; February 16, 11 a. m.; February 15, 11 p. m.; February 17, 10 p. m.; February 17, 4 p. m.; February 18, midnight; February 18, 5 p. m.; February 18, 3 p. m.[1]; February 19, 10 p. m.; February 20, 6 p. m.; February 24, 8 p. m.; February 27, noon; February 28, midnight; March 1, midnight[1]; and March 4.

I was brought into communication with him in the following way: On the day when the Federal forces were proposing to establish a battery in the immediate vicinity of the Embassy I asked a volunteer from the crowd outside to carry a verbal message directly to the General asking him immediately to send an officer and to remove this battery, without waiting to reply to my note of February 15. A Mexican gentleman by the name of Copeda, whom I had known for some time, said that he knew General Huerta intimately and would carry the message. This he did, and on his return he informed me that General Huerta wished to have an interview with me, as Dean of the Diplomatic Corps. As many of my colleagues had been urging me to appeal directly to General Huerta to abate the intolerable situation which then existed, I promptly said that I would be glad to meet him. No such meeting, however, occurred, and it was only when I received the message reported in my February 17, 4 p. m., that I began to believe that some steps were under contemplation to put a termination to the battle. In my own mind I anticipated that a mild form of *coup d'état*, which would lead to the resignation of Madero after a refusal on the part of the Federal troops further to engage the troops of Díaz, might be undertaken. But I had no reason to think that violence would occur and that the President and his Ministers would be made prisoners, and when the news reported in my February 18, 5 p. m., was brought to me I regarded it for some time with incredulity. When satisfied of the accuracy of the report I was confronted with the following situation:

Two hostile armies were in possession of the capital and all civil authority had disappeared. Some 25,000 foreigners, who, as de-

[1] Not printed.

veloped during the bombardment, seemed to rely upon the Embassy for protection, were at the mercy of the mob or exposed to indiscriminate firing which might at any moment begin. Without conferring with anyone, I immediately decided to ask Generals Huerta and Díaz to come to the Embassy for a consultation, my object being to have them enter into an agreement for the suspension of hostilities and for joint submission to the Federal Congress.[1] Four hours after the fall of Madero these two generals arrived, with their staffs, at the Embassy and remained there five hours endeavoring to reach an agreement. Three times the discussion was broken off and I interfered and with appeals to their reason and patriotism induced them to continue, with the result that at 1 o'clock in the morning the agreement was signed and deposited in the Embassy and immediate proclamation announcing the suspension of hostilities issued. The consummation of this arrangement I regard as the most successful and far reaching of all the difficult work I was called upon to perform during the revolution in that it stopped further effusion of blood, allowed the population of the city to resume their ordinary peaceful occupations, and led finally to the creation of a provisional government which is rapidly establishing peace throughout the Republic.

Moreover, at this crisis the news of the President's telegram to the governors about intervention,[2] his attempt to discredit me with the President at Washington, and his announced intention to use mortars and dynamite shells in attacking the citadel, seemed to relieve me of all moral responsibility to him as Chief Executive of this nation, while, at the same time, the possibilities of increased horrors and dangers added to my responsibilities to the American and foreign colonies in this city. Had it even been possible to communicate with him—which was not the case—he would in all probability, judging from past experiences, have treated my message with scorn and suspicion and pursued his course of devastation and ruin.

THE KILLING OF THE PRESIDENT AND VICE PRESIDENT.

As this subject seems to have developed considerable press discussion it might be useful to amplify the information contained in my telegrams relative thereto, and to furnish the Department with some details which at the time were not considered essential, as I never for a moment believed the lives of Madero and Pino Suárez to be in danger from the Government.

Immediately after the arrest and imprisonment of Madero and his Ministers I sent the volunteer messenger of the Embassy to General Huerta, asking that no further violence be committed or blood shed, and also that if it were compatible with the safety of the city he would release the Ministers. The messenger brought back to me the assurances of General Huerta that no violence against the President and Vice President was contemplated and that, acting upon my suggestion, he had immediately placed all of the Ministers of the Madero Cabinet at liberty. Later on, as reported in my tele-

[1] See telegram of Feb. 18, midnight.
[2] See the Ambassador's telegrams of Feb. 16, 3 p. m.; Feb. 16, 7 p. m.; the Secretary's telegram of Feb. 15, midnight; the President's telegram of Feb. 16.

gram of February 19, 10 p. m., he asked my opinion as to what disposition should be made of the President; and as both of the courses he indicated an intention of following seemed to be comparatively mild, I did not think it expedient to assume the responsibility of advising him, but answered that he must do what was best for the peace of Mexico.

Later, as reported to the Department in my telegram of February 20, 6 p. m., I remonstrated with the President, and I think with Mr. de la Barra, against the unnecessary severity of the ex-President's confinement, and suggested that he and the other prisoners should be transferred to more comfortable quarters. It was at this time that the Provisional President informed me that the ex-President and ex-Vice President would be put in a place of safety and later tried for crimes the character of which was not indicated to me.

As reported in my telegram of February 20, 6 p. m., I went to the Presidencia with the German Minister and had a very serious conversation, in which my colleague took part, requesting assurances that the lives of the ex-President and the ex-Vice President would be saved. These, as the Department knows, were given; and I believed, and the German Minister believed, as well as many of our colleagues who had been to the Provisional President on a similar mission, that there existed no reason for apprehension as to the attitude of the Government toward the deposed President and Vice President.

I also, at the request of Mrs. Madero, verbally asked the Provisional President to permit her to see the ex-President and that he should be furnished more palatable food.

At the request of Mrs. Pino Suárez, to whom I paid a visit, I addressed a letter to General Blanquette, especially interceding for the life of the ex-Vice President, which I believed to be in some danger from unofficial enemies.

Not content with these efforts, I personally visited different members of the Cabinet for the purpose of expressing my deep concern for the preservation of the ex-President's life and my desire that his treatment should be humane and considerate. If I had been in the slightest degree apprehensive of any intention on the part of the Government to deal foully with the ex-President I might have been more agitated and more vehement, but not more active.

Moreover, at the request of the family, I sent two special American messengers to General Mondragón for the purpose of recovering the body of the unfortunate Gustavo Madero, and obtained authority for these men to search for the remains near the citadel, which they did for two days without success.

Mrs. Wilson added her efforts to mine and went frequently to see the mother and widow of the ex-President, carrying them flowers and expressions of sympathy.

Believing at one time that the life of Ernesto Madero might possibly be in danger, I sent him a letter inviting him to come, with his family, to the Embassy; and I afterwards caused the soldiers (who were ugly and threatening) to be removed from the house of his brother-in-law, where he was staying.

I think, therefore, that I am warranted in saying that so far as this Embassy is concerned everything was done to save the life of

Mr. Madero that humanitarian considerations, public opinion in the United States, and the instructions of the Department could demand.

Concerning the facts of the deplorable death of the ex-President and ex-Vice President it is not possible for this Embassy to furnish the Department with a reliable account beyond the official version, which, in the absence of any other, I felt obliged to accept. A dozen different accounts by "eyewitness," all differing absolutely in details, have been offered to the Embassy, but all are lacking in the elements of probability, and none convincing or positive.

My own opinion is that the Government was not privy to the killing of these men, but that either their deaths resulted as related in the official version or that they resulted from a subordinate military conspiracy, actuated by sentiments of revenge for the murder of General Ruiz in the National Palace, the probable murder of General Reyes, and the shooting to death by the ex-President of Colonels Riverol and Izquierdo at the time he was made prisoner.

History will undoubtedly straighten out this tangle, and while the crime was revolting to all people of civilized and humane sentiments it is not evident to me that, politically speaking, the death of these two Mexicans, relegated to private life by their resignations, should arouse greater expressions of popular disapproval in the United States than the murders, unrequited by justice, of some 75 or 80 Americans in Mexico during the last two years.

I believe that in announcing publicly my acceptance of the official version of the death of these two men—and indeed I could not, with reference to the gravity of the situation, take any other course—I adopted the surest method of arresting hasty judgment and of allaying that singular and perverse sentimentality which frequently leads to the commission of greater crimes as punishments for lesser ones.

As the Department is aware, an official investigation, apparently impartial, is being made of all of the circumstances connected with the death of Madero, and in due time its conclusions will be published and transmitted by this Embassy.

LEGALITY, ETC., OF THE PROVISIONAL GOVERNMENT.

There can be no doubt as to the legal constitution of the present Provisional Government in conformity with precedents and the Mexican Constitution.

When President Díaz and Vice President Corral resigned simultaneously, De la Barra, Secretary of Foreign Relations, was summoned by Congress to take the oath according to the Constitution.

Had Díaz died or resigned, his legal successor under the Constitution would have been his Secretary of Foreign Relations; and in case no such appointment had been made the Presidency would, under the Constitution, have devolved upon the Secretary of Gobernación.

Madero and Pino Suárez resigned simultaneously and their resignations were accepted by Congress. Lascurain, Minister of Foreign Relations under Madero, then immediately took the oath as Provisional President under the Constitution. He did not appoint a Secretary of Foreign Relations, but he did appoint General Huerta Secretary of Gobernación. Huerta having taken the oath as Secretary of Gobernación and Lascurain having resigned and his resignation having been accepted, the Presidency devolved upon Huerta under the Constitution

in his capacity of Secretary of Gobernación, and he took the oath of office before Congress as President of the Republic.

The incumbency of Huerta is as legal as was the incumbency of De la Barra after the resignation of Díaz.

From this it would appear that if the Provisional Government of De la Barra, which was recognized without any question by the Government of the United States and by all other Governments as constitutionally inducted into office, the Provisional Government of Huerta is entitled to the same acceptance. [Sic.]

The second consideration for recognition lies in the imperative need of sustaining and strengthening this Government. Without our recognition, upon which the recognition of many other Governments depends, it will be constantly exposed to attacks from its enemies; and our attitude will take on a color of at least constructive sympathy with the elements conspiring against the reestablishment of order and peace in a neighboring and friendly Republic.

The financial situation, too, which at the present moment is pressing and urgent, can not be solved by the procurement of the necessary loans while the question of the legitimacy and constitutionality of this Government is in doubt. By hesitating too long, therefore, we might contribute to the weakening and possible demolition of the present Government and reinvoke the movements of disorder and anarchy which so recently brought us to the verge of an intervention in the affairs of this Republic, fraught with great dangers to its future integrity and placing burdens of responsibility upon us the gravity of which can not be accurately estimated but which may easily be imagined.

On the other hand, I do not advocate the recognition of the present Provisional Government until its ability to restore and establish peace and order throughout the Republic and afford guaranties to the lives and property of foreigners shall have been demonstrated to the satisfaction of our Government.

Nor do I advocate it until our just and equitable claims, as set forth in the Department's note of September 15, 1912, and in my subsequent note of February 24, 1913, to the Provisional President, General Huerta, shall have been satisfied either by their acceptance in principle or by adequate fulfillment in fact.

I fully expect this Government to reestablish peace and order and I also expect that within a brief period the substance of our complaints—except, perhaps, that relating to general claims for damages growing out of the revolution—will have been satisfied.

The question of our recognition, therefore, would appear to depend more upon expediency and interest than upon correct procedure, and I believe that it should be considered entirely from those viewpoints.

THE AMERICAN COLONY.

I can not too highly praise the attitude of the American colony during the recent bombardment. The activity, courage, self-reliance, and self-sacrifice exhibited in hours of danger, and their patience amid discomfort, excessive labors, and their isolation from home and business were conspicuous and worthy of all admiration. I trust that the Department may, in due season, make full recognition of the bearing of these excellent examples of our race and nationality.

PROGRESS OF REESTABLISHMENT OF PEACE THROUGHOUT THE REPUBLIC.

The present Provisional Government has shown remarkable activity and energy in restoring order, in subduing rebellious elements, and in consolidating different political factions and revolutionists in arms against the Government of Madero.

In the brief period of two weeks the whole of the Republic to the south and west of the Federal District has, either by force or persuasion, been brought into a state of comparative peace. A small district in the State of Guerrero is still in arms under Genevievo Delao, but a strong force of Federals has been sent against them and it may be anticipated that they will soon be defeated and brought to submission. Zapata remains inactive at some point south of Cuernavaca, but negotiations with him are being carried on and the indications point to his early submission. In the north all of the leading rebel chieftains, with the exception of Salazar, have submitted to the Government and most of them are now enrolled in its service. Salazar's attitude remains undefined, but it is supposed that he is simply holding out for terms.

In a general way, it may be said that, with the exception of isolated brigandage committed by roving bands formerly under the lead of chieftains who have now surrendered, the whole of the north is at peace with the exception of the State of Sonora and some portions of the State of Sinaloa, where the governor is supposed to be hostile to the present administration.

MOVEMENT HEADED BY CARRANZA.

The Sonora situation presents some aspects of gravity which should have the attention of the Department. It is not a Maderista movement, but the remains of the movement which was initiated by the border governors to form an independent republic, in which Carranza, then Governor of Coahuila and now a fugitive from justice, was the originator and prime mover.

It must be understood by the Department that the people of Sonora and of a large part of the State of Sinaloa have never been closely identified with this Republic. Most of the people in these States are of Texan origin, of mixed American and Spanish blood, and, as a matter of fact, they would prefer unity with the United States rather than with Mexico. There is evidently, notwithstanding the reassuring advices sent hither by the Department, a movement there to declare an independent republic comprising the States of Sonora and Sinaloa and the Territory of Lower California; and while I have no positive proofs of intrigues by American interests in that direction it is believed here that they exist. The situation, therefore, at this point should be carefully watched by the Department in order that we may not be involved in a movement aimed to disintegrate this Republic.

PROVISIONAL PRESIDENT HUERTA.

General Huerta is preeminently a soldier, a man of iron mold, of absolute courage, who knows what he wants and how to get it, and is not, I believe, overly particular as to methods. He is a firm be-

liever in the policy of General Porfirio Díaz and believes in the cultivation of the closest and most friendly relations with the United States. I believe him to be a sincere patriot, and so far as my observations goes at the present moment he will cheerfully relinquish the responsibilities of office as soon as peace is restored in the country and financial stability is reestablished. I may possibly err in my estimate of his character, but I am supported in it by the opinion of Captain Burnside, who spent a month with him in the campaign in the State of Chihuahua.

GENERAL FELIX DÍAZ.

I do not believe him to be as strong a character as General Huerta, but he is a man of humane character, averse to the shedding of blood and to cruelty of any kind. He strongly resembles his uncle, the late President Díaz, both in appearance and manner, and doubtless with time and training will develop a capacity for government and a high measure of usefulness. At present he is somewhat disposed to be governed in his judgments and conclusions by satellites and hungry office seekers, but this is possibly only a passing phase. He professes to be pro-American, and I think is so, but he is surrounded by some men who can hardly be placed in that class.

THE GOVERNMENT OF MADERO.

From a study of the press of the United States I discover much erroneous opinion is prevalent relative to the character of the Government of Madero. By many journals it is assumed that the Government which was established after the overthrow of Porfirio Díaz was a pure democracy of high ideals, devoted to the uplifting of the masses and the betterment of their condition. Nothing could be farther from the truth.

It is true that Madero came into power with an altruistic program and apparently with many high ideals, but his character and that of his administration departed each day of its incumbency farther from its supposed benign character, degenerating rapidly into a despotism of the worst character accompanied by the worst possible evidences of corruption, incompetency, impotency, inefficiency, and nepotism.

During the last months of its existence a practical reign of terror existed, supported by espionage, the reckless squandering of public money, illegal and unwarranted seizures and imprisonments, the intimidation or censorship of the press, the deception of the public at home and abroad by paid native and foreign agents, bribery of Congress and the army, the misconception and disregard of international obligations, and the practical government of the Republic by one family, unfitted by training for public affairs and devoid of that measure of patriotism, prudence, and policy which was imperatively essential in view of the abnormal and chaotic condition of the country.

It was active in small things and evasive, sluggish, and neglectful in greater things. Madero came into power as an apostle of liberty, but he was simply a man of disordered intellect who happened to be in the public eye at the psychological moment. The responsi-

bilities of office and the disappointments growing out of rivalries and intrigues shattered his reason completely, and in the last days of his government, during the bombardment of this city, his mental qualities, always abnormal, developed all of the characteristics of that dangerous form of lunacy of which the best example in ancient times is a Nero and in modern times a Castro.

Remote from the great position where his misguided ambition carried him he would doubtless have remained a quiet and simple country gentleman of benevolent ideals and blameless life. Clothed with the chief power of the nation, dormant evil qualities in the blood or in the race came to the surface and wrought ruin to him and to thousands upon thousands of the Mexican people.

THE FUTURE.

Present indications point to the reestablishment of peace and order throughout the Republic within a fairly reasonable space of time, when due allowances are made for the enormous extent of territory which must be covered.

The new administration is not popular, but it is respected: and it, in its existence, has given birth, not only in the minds of Mexicans but in the minds of foreigners, to a new feeling of confidence and belief in conditions which will permit the resumption of peaceful occupations in the cities and throughout the agricultural districts.

In all probability Mexico will become and afterwards remain quiet for some time, but ultimately, unless the same type of government as was implanted here by General Porfirio Díaz is again established, new revolutionary movements will break forth and general unrest will be renewed.

With 80 per cent of its population unable to read and write permanent democratic government can not be established in Mexico. But if we desire to contribute to the continued existence of democratic government and institutions under healthy conditions we should direct our efforts toward inducing this Government to adopt and encourage a plan for universal education, assisting in the meantime in the maintenance of such a government as may guarantee protection to life and property and peace and progress, without being especially particular as to whether its character is in accordance with our ideas of genuine democratic institutions.

I am [etc.]

HENRY LANE WILSON.

File No. 812.00/6553.

The Secretary of State to the Vice Consul at Nogales.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, March 13, 1913.

The following telegram has been received from José M. Maytorena at Tucson, Arizona, who signs himself Constitutional Governor of Sonora:

[Quotes telegram of March 7, printed ante.]

If there is a suitable opportunity you may orally say to Maytorena that you know the views of the Secretary of State to be as follows:

The Government of the United States is deeply interested in the restoration of peace so that law may be enforced, order preserved and the rights of Americans protected. Disagreements generally arise from misunderstandings or conflicting interests and therefore it would be wise to remove misunderstandings by conferences whenever possible and to reconcile conflicting interests by mutual concessions.

Consuls may exercise such influence as may properly be employed without any interference on our part in the affairs of our sister Republic, to bring about cooperation between the State and the Central administrations on a basis of justice to all.

BRYAN.

File No. 812.00/6656.

The Secretary of War to the Secretary of State.

[Telegram—Extract.]

WAR DEPARTMENT,
Washington, March 13, 1913.

Following telegram March 12 from Commanding General, Southern Department, Fort Sam Houston, Texas, repeated for your information:

Following just received from Commanding Officer, Eagle Pass, Texas: "* * * Carranza still at Monclova. * * * Manuel Garza Aldape is trying to arrange meeting with Carranza to arrange for peace. So far he has met with no encouragement. Carrancistas report the movement gaining strength daily [in Coahuila]. Report that State of Durango is also in revolt not verified."

LINDLEY M. GARRISON.

File No. 812.00/6693.

The American Consul at Ciudad Porfirio Díaz to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN CONSULATE,
Eagle Pass, March 14, 1913.

Many believe Governor Carranza's goal is the Presidency. His success in securing volunteers is unquestionable; about 2,000 at Monclova.

LUTHER T. ELLSWORTH.

File No. 312.11/1299.

The American Ambassador to the Secretary of State.

No. 1906.] AMERICAN EMBASSY,
Mexico, March 14, 1913.

MY DEAR MR. BRYAN: I have the honor to transmit herewith, for your information in connection with my No. 1901, a copy of a note addressed by me on February 24, 1913, to General Huerta, Pro-

visional President of Mexico, calling his special attention to the Embassy's note of September 15, 1912, addressed to the Mexican Government.

I remain [etc.]

HENRY LANE WILSON.

[Inclosure.]

The American Ambassador to General Huerta.

Personal and unofficial.

MEXICO, *February 24, 1913.*

DEAR GENERAL HUERTA: On September 15th, 1912, I addressed, under instructions of my Government, a very strong and vigorous protest to Your Excellency's Government, relative to many old, some continued and more fresh cases which were causing my Government the greatest distress and the adjustment of which it seemed unable to secure by any other methods than severe, drastic and probably what appeared to be unrestrained language. So grave had become the situation developed by the then Mexican administration's refusal, either through impotency, unfriendliness or lack of proper conception of the amity and probity which should govern the exchanges between contiguous and apparently friendly republics, that relations were strained almost to the breaking point and an extremely grave situation would have resulted from the carelessness, cynicism and superciliousness of the administration which has gone out of power. A further precipitation of this situation was prevented only by the fact that the administration of President Taft hesitated to assume the responsibility of further action in view of its remaining short life.

I am now in receipt of instructions from Washington on the threshold of Your Excellency's administration to secure without fail or delay an acceptance in principle of the demands made in our note of September 15th, to which must be added the settlement of the Colorado River, the Chamizal case and the question of a definite arrangement of all claims for damages to American life and property, not in accordance with the generally accepted principles of international law, but in accordance with the sentiments of friendship which exists between these two republics, which sentiments we would be ready to recognize under similar circumstances. I therefore beg Your Excellency to immediately give consideration to these grave matters and enable me through instructions to Mr. de la Barra to secure final and definite settlement of all grievances of which we are complaining, at the same time advising you that we are willing to adjust in similar manner any complaints which the Mexican Government has against the American Government. As a friend of Mexico I earnestly desire that these matters may be adjusted before the new administration at Washington assumes office, in order that it may be met with a clear evidence of Mexico's desire to discharge its duties of friendship towards us.

With sentiments [etc.]

HENRY LANE WILSON.

File No. 812.00/6722.

The Mexican Chargé d'Affaires to the Secretary of State.

[Translation.]

No. 284.] MEXICAN EMBASSY,
Washington, March 15, 1913.

EXCELLENCY: In compliance with express instructions received from my Government, I have the honor to bring the following to your excellency's knowledge:

By reason of the resignation of their respective offices tendered to the Chamber of Deputies of the Congress of the United Mexican

States on the 18th of February last by Don Francisco I. Madero and Don José María Pino Suárez, President and Vice President of the Republic, respectively, the said Chamber, by virtue of the powers conferred upon it by Article 72, Section A, Paragraph 2, and Articles 81 and 82 of the Federal Constitution of the Republic, decreed that it was proper to accept the resignations above referred to and to call the Secretary of State and the Secretary of Foreign Relations to the service of the Chief Magistracy, as required by our Fundamental Charter. But the last-named official, Don Pedro Lascurain, having in turn resigned that high office, and his resignation having been accepted, the Federal Executive Power devolved upon the Secretary of State next in the Constitutional order to that for Foreign Relations, that is to say, the Secretary of Gobernación, General of Division Don Victoriano Huerta, who was called upon by the Chamber of Deputies to take the oath of office as President ad interim of the Republic on the nineteenth day of the same month. As soon as normal conditions are reestablished in the Republic by virtue of the full restoration of peace, the Nation will be called to hold extraordinary elections for a President and Vice President of the Republic.

Informing your excellency that you will shortly receive the autograph letter of the President ad interim announcing his assumption of the office, it affords [etc.]

ARTURO DE LA CUEVA.

File No. 812.00/6820.

The American Consul at Hermosillo to the Secretary of State.

[Extract.]

No. 524.] AMERICAN CONSULATE,
Hermosillo, Sonora, March 15, 1913.

SIR: I have the honor to report that as the road is now open and some chance for letters to go through I will try and give a statement of events as they happened.

The State Government upon receiving notice of the imprisonment of President Madero from General Huerta, telegraphed to the Ministro de Gobernación for information regarding the state of affairs and whether the telegraphic information from General Huerta was correct or not. They claim to have received no answer to the same. In the meantime I worked with them to secure recognition of the Provisional Government and had succeeded when the news of the assassination of Madero and Pino Suárez was received and this ended the matter for the time being. I then received a telegram from the Ambassador asking to do what was possible for recognition. I again worked with these people and secured a promise that if a majority of the States of the Republic were recognizing the same and [if] I could secure this information from the Ambassador they would recognize the Provisional Government. I never received an answer to the same. I then telegraphed to the Honorable Ambassador that as the State had such a strong following here it would be best for the present, if the Central Government did not have enough troops to subdue the State, to withdraw the few that were here, and the State people guaranteed

to have peace and order throughout the State in ten days and then would go, with a commission of the Chamber of Commerce, and discuss recognition. I also advised that as the Federal Government had never corresponded direct with the State Government it would be advisable to do so and take the matter up directly with them. To this came no answer and the State Congress, then in session, decided to leave the question open for the present until they knew the exact state of affairs. This decision they telegraphed to Mexico City, when, in return, they received a very short telegram signed "Granados" stating they wanted to know at once whether they would recognize the Provisional Government or not. This brought on the decision not to recognize the same. [Description of destruction of the railroad.] The Chamber of Commerce here elected two members to go to Mexico and see if peace could not be established in some manner. One of these, a Mr. Alejandro Lacy, * * * was arrested. * * * The [State] Government, upon acting for itself, took possession of all Federal Government offices, and also named bank examiners to take the place of those appointed by the Federal Government. These the banks refused to recognize and so closed their doors. * * * Perfect protection is given to Americans and their property and no one has been molested in any way except the railroad company. * * * I have been of great assisstance to Americans and all foreigners here, as the State Government know I have been working for peace and for the good of all parties. * * * If the Mexican Government in the City of Mexico could be made to withdraw the few troops they have here in the State and allow these people to restore peace and order, which they can very easily do in ten days' time, the question of recognition could then be gone over with any commission sent from here and can be settled. The principal thing the State desires is the right to elect its own officials and have no military governor. If, as from appearances, the Provisional President has no troops to send to Sonora at present and is not in a position to dominate the situation, he should be made to accede to this and end all bloodshed and trouble in the State until he is strong enough to better his own desires.

I have not received a single telegram either from the Department or Mexico City since the fifth day of this month.

I have [etc.]

LOUIS HOSTETTER.

File No. 812.00/6855.

The American Consul at Hermosillo to the Secretary of State.

[Extract.]

No. 525.] AMERICAN CONSULATE,
Hermosillo, March 17, 1913.

SIR: I have the honor to report that * * * I have not had a single telegram from either the Department or from the Embassy since the 5th, and that was from the Department. I received a telegram from the Embassy, February 26, asking me to do all in my power to have the State recognize the Provisional Government. I notified the Embassy that nearly the entire State was against recognition and it would be hard to accomplish, as these people do

not want a military government. I also advised him of the true situation and of the strength of the State and suggested that if the Central Government did not have enough troops to reenforce those at present in the State it would be best to withdraw the few they have for the present, as the State authorities and the military leaders here guaranteed to have perfect peace and order in the State within ten days after the others left and would then send a commission to Mexico to treat on recognition. As all these people asked was State sovereignty, to elect their own officers, and payment of their troops while in the Service of the State, I have thought it would be possible to secure these terms. But I have never heard a word from Mexico since. * * *

I have [etc.]

LOUIS HOSTETTER.

File No. 312.11/1277.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico City, March 17, 1913—10 p. m.

117. Today General Huerta and Mr. de la Barra called at the Embassy. Huerta made statements of which a memorandum was afterward handed me by De la Barra who said he intended to give it also to the press. Translated it reads:

Interviewed as he was leaving the American Embassy concerning the object of his call, President Huerta said the object was—

First, to reiterate the sentiments of amity uniting his Government and people with those of the United States.

Second, to reiterate what he had said to the Embassy through the Minister for Foreign Affairs concerning the purpose of the Mexican Government to contribute with sentiments of sincere friendship and according to the principles of justice towards a settlement at the earliest possible moment of the questions pending between the two countries.

Third, to express gratification with the efforts of Ambassador Wilson, which have efficiently increased the cordiality between the two countries.

Mr. de la Barra promised me a memorandum later today definitely concluding pending questions in a way which he thought would be satisfactory.

HENRY LANE WILSON.

File No. 812.00/6800.

The American Ambassador to the Secretary of State.

[Telegrams—Paraphrases.]

VERA CRUZ, *March 20, 1913.*

I have just received through the Embassy a telegram from Mr. de la Barra in which he expresses the desire that as many of our war vessels as possible might be removed from Mexican waters; he calls my attention to the Mexican law which does not permit foreign war vessels to remain more than thirty days in Mexican ports.

I have in substance replied that since my Government has not yet recognized the Provisional Government as a de jure government, the above-mentioned representations are inopportune and that the attitude of the Mexican Government should be expectant and receptive.

HENRY LANE WILSON.

File No. 812.00/6867.

AMERICAN EMBASSY,
Mexico City, March 24, 1913.

132. A bill has been passed by Congress granting full amnesty for the revolutionary period up to the establishment of the Provisional Government. Also a bill confiscating the estates of contributors to the revolution against the Provisional Government.

On account of failure to secure formal recognition the Government is having difficulty in negotiating its proposed loan.

HENRY LANE WILSON.

File No. 812.00/6876.

The Provisional Governor of Sonora to the Secretary of State.

[Telegram—Translation.]

NOGALES, ARIZONA, *March 24, 1913.*

On March 6 I had the honor to send you a telegram as follows[1]:

I have the honor to inform you that the Executive Power in my charge, in accord with the local Legislature, and in fulfillment of the obligation to sustain the sovereignty of the State as provided in the general Constitution of the Republic and in that of this Federative entity, is obliged to refuse recognition of General Victoriano Huerta as President ad interim of Mexico. I am zealously looking after the maintenance of order and the protection of all interests, especially those of American citizens, who, as far as this Government is concerned, will have every guaranty compatible with the actual situation. Accept the assurance of my highest and most distinguished consideration.

I repeat it to you with the same tender of my highest consideration.

The Governor ad interim,
IGNACIO L. PESQUEIRA.

HERMOSILLO, SONORA, MEXICO.

File No. 812.00/6894.

The American Vice Consul at Nogales to the Secretary of State.

[Telegram.]

DOUGLAS, ARIZONA, *March 26, 1913.*

Federals surrendered to Constitutionalists this evening. Constitutionalist troops patrolling Cananea and order preserved.

SIMPICH.

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[1] This telegram is not of record of that date.

File No. 812.00/6879.

The American Chargé d'Affaires at Buenos Aires to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Buenos Aires, March 26, 1913.

I am informed by the Minister for Foreign Affairs that Argentina will probably not recognize the Government of Mexico before that Government is recognized by the United States.

LORILLARD.

File No. 812.00/6902.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico City, March 27, 1913.

138. The three United States war vessels now at Vera Cruz arrived during the bombardment in Mexico City. The usual permission for them to enter territorial waters was not requested by the Embassy. The Foreign Office now suggests that the Embassy address a note to the Government requesting permission for them to remain, in order to bring their continued presence into conformity with Mexican law.

HENRY LANE WILSON.

File No. 812.00/6980.

The American Vice Consul at Nogales to the Secretary of State.

[Extract.]

No. 226.] AMERICAN CONSULATE,
Nogales, Sonora, March 28, 1913.

SIR: * * * Thus far the victories of the State troops have been followed by the immediate restoration of the normal government and good order is maintained. There is a disposition on the part of the State officials to continue the established order of things as formerly. The State Government only desires to repudiate President Huerta, demands his resignation and refuses to permit Federal troops to remain in the State. The officials reiterate further that they have no intention of seceding from the Republic of Mexico but will not tolerate the present Provisional Government and that their belligerency is a movement to secure a constitutionally elected president, and that they do not believe President Huerta will permit a constitutionally elected president to succeed him to his present office.

The attitude of the Sonora State Government seems to be receiving enthusiastic encouragement, which is almost unanimous all over the State. Recruits continue to join the armed forces of the State and there seems to be a real sentiment of patriotism behind the revolt. Foreigners generally are well treated and so far this office has received no complaint from Americans as to the treatment accorded

them by the State Government. Colonel Obregón refused to receive American recruits while at Nogales, and explained to this office that he was waging a patriotic war and wanted only his own countrymen to help him. * * *

I have [etc.]

THOS. D. BOWMAN.

File No. 812.00/6937.

The American Consul at Ciudad Porfirio Díaz to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN CONSULATE,
Eagle Pass, March 30, 1913.

Carranza at Monclova has declared himself Provisional President.

ELLSWORTH.

File No. 812.00/6944.

The American Ambassador to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN EMBASSY,
Mexico, March 30, 1913—1 p. m.

145. The necessity for an immediate meeting for the consideration of recognition and of general claims is urged on me by my diplomatic colleagues, but as I have no instructions as to recognition I declined to call a meeting at the Embassy and said I would participate in one at the British Legation. Please send instruction at once.

HENRY LANE WILSON.

File No. 812.00/6961.

AMERICAN EMBASSY,
Mexico City, March 31, 1913.

150. I think it proper in view of sensational newspaper reports to the contrary, to advise the Department that there is perfect accord between General Díaz and the Provisional President.

HENRY LANE WILSON.

File No. 812.00/6985.

The British Ambassador to the Secretary of State.

No. 85.] BRITISH EMBASSY,
Washington, March 31, 1913.

SIR: Referring to my note to you of March 13th[1] in which I informed you that the Mexican Minister in London had been informed that when the Secretary of State had received an autograph letter from the ad interim President of Mexico he would advise His Majesty to reply to it, and thereby recognize General Huerta as interim President should conditions in the meantime remain the

[1] Not printed.

same, I am now desired by His Majesty's Principal Secretary of State for Foreign Affairs to inform you that His Majesty's Government is recognizing the President ad interim of the Republic of Mexico.

I have [etc.] JAMES BRYCE.

File No. 412.00/24.

The Secretary of State to the American Ambassador.

[Telegram—Extract.[1]]

DEPARTMENT OF STATE,
Washington, April 1, 1913.

158. Your 145 of March 30, 1 p. m. There is no objection to your attending a meeting of the Diplomatic Corps or of calling a meeting thereof at the instance of some one other than yourself, provided your own attitude is non-committal.

BRYAN.

File No. 812.00/6963.

The Acting Secretary of War to the Secretary of State.

[Telegram.]

WAR DEPARTMENT,
Washington, April 1, 1913.

Following telegram March 30, from Commanding General, Southern Department, Fort Sam Houston, Texas, repeated for your information:

Following, this date, from Commanding Officer, Eagle Pass.

"General Aubert reports between Anelo and Reata 1,500 moving to Monclova. Carranza at Monclova with main force has destroyed bridges and all rolling stock below Monclova. All railroad equipment being sent Piedras Negras by Governor. Several trains including seven engines arrived border during night. Many families moving to Eagle Pass with personal effects."

ROBERT SHAW OLIVER.

File No. 812.00/7109.

The American Ambassador to the Secretary of State.

No. 1917.] AMERICAN EMBASSY,
Mexico, April 2, 1913.

SIR: For the information of the Department I have the honor to transmit herewith copies of the correspondence exchanged with the Minister for Foreign Affairs of the Provisional Government of Mexico relative to the retention of American war vessels in Mexican waters.

I have [etc.]

HENRY LANE WILSON.

[Inclosure 1—Memorandum.]

The American Embassy to the Mexican Foreign Office.

It is considered that the bringing up of the question of the United States war vessels remaining in Mexican ports at this time, in view of the fact that the

[1] The omitted part of this telegram refers to Claims, which see.

Government at Washington has not as yet formally recognized this Government as a de jure government, is inopportune. The Embassy has recommended the withdrawal of two of the United States vessels now in Mexican ports, but, as the Governor and the Military Commander of the port of Vera Cruz are supposed not to be loyal to the Federal Government, I can not make further representations with reference to the withdrawal from Vera Cruz of another vessel, and, in view of the anti-American spirit in Tamaulipas I can not make representations to the end that the war vessel at Tampico be withdrawn, as the foreign interests there are very large.

It is pointed out that should these war vessels be withdrawn entirely from the eastern coast and then were obliged to return in order to protect foreigners, a very embarrassing if not dangerous situation would arise. Referring to the boat at Acapulco, it is pointed out that if the Mexican port officials and the Federal authorities at that port indicate to the Commander that he is not within regulations in any act which he may perform, any difficulty will disappear.

The recognition of the present Government of Mexico as a de jure government by the Government of the United States is expected daily and it would seem more politic for the present Government in Mexico not to bring up the question of war vessels in Mexico but to await recognition by the Government of the United States.

AMERICAN EMBASSY,
Mexico, March 22, 1913.

Shown to the Subsecretary for Foreign Affairs by Nelson O'Shaughnessy.

[Inclosure 2—Translation.]

The Minister for Foreign Affairs to the American Ambassador.

No. 5740.] DEPARTMENT FOR FOREIGN RELATIONS,
Mexico, March 31, 1913.

MR. AMBASSADOR: With reference to the conversations that I have had with the First Secretary of the Embassy, in the absence of your excellency, relative to the visit of the American war vessels in the port of Vera Cruz, and with further reference to the telegrams that the Embassy has addressed to the Department of State, I have the honor earnestly to inquire if your excellency will be good enough to inform me whether any reply has been received from your excellency's Government to the end of proceeding to an extension of the period of one month which the Mexican law allows to foreign war vessels as the limit of continuous stay in its ports.

The Government and the people of Mexico are always disposed to receive the friendly visits of American war vessels, as of all friendly nations, but as the law to which I above refer is exact in its terms it is necessary that I make the present representations.

In the hope that your excellency will appreciate the opinion that I now express, and in the consideration that it is inspired by the sentiments of justice and mutual esteem that rule the policy of both Chancelleries, I avail [etc.]

F. L. DE LA BARRA.

[Inclosure 3.]

The American Ambassador to the Minister for Foreign Affairs.

No. 6040.] AMERICAN EMBASSY,
Mexico, April 1, 1913.

MR. MINISTER: I have the honor to acknowledge your excellency's esteemed note No. 5740 of March 31 relative to the retention of American war vessels in the port of Vera Cruz for a longer period than the Mexican law permits without the permission of the Mexican Senate.

On March 20 I received a telegram while in Vera Cruz from the Secretary of this Embassy informing me that your excellency had brought this matter to his

attention, and I then replied that in view of the fact that our Government held serious responsibilities toward all classes of foreigners in Mexico, and in view of the further fact that the American Government has not yet formally recognized the Provisional Government of Mexico, I deemed the intrustion [introduction?] of this question at this time as inopportune.

I, moreover, called your excellency's attention to the fact, as reported to me by the American Consul at Vera Cruz, that the Governor of the State of Vera Cruz and the Military Commander thereof are supposedly not loyal to the Federal Government, and that on this account the removal of these war vessels might at any time encourage rebellious spirits to precipitate a conflict endangering foreign lives and property. Nevertheless I informed your excellency at that time that two of the ships would probably be immediately recalled to American waters, and I notice by the telegraphic despatches of this morning the announcement that all ships in Atlantic waters will probably soon be recalled.

Since the date of this telegram just referred to I have called the attention of my Government to the existence of the law which your excellency had the goodness to cite, but I have as yet received no expression of opinion from Washington. I am therefore obliged to express my regret that I can not at this moment furnish your excellency any definite information, though you may be sure that it would afford me great pleasure to do so.

I take [etc.]

[Copy not signed.]

[Inclosure 4.]

The American Ambassador to the Minister for Foreign Affairs.

AMERICAN EMBASSY,
Mexico, April 2, 1913.

MY DEAR MR. DE LA BARRA: Referring to my note No. 6040 of April 1, I have the pleasure of advising you that I am just in receipt of a telegram from the Department of State informing me that the *Nebraska* has been withdrawn from Mexican waters.

I might say to you that it is no part of the policy of the Government of the United States to offend the sensibilities or to derogate in any measure from the sovereignty of the Mexican Government, and that I regard it as extremely unfortunate that retention of these ships in Mexican waters should at this moment be a matter of public discussion. Conditions in Mexico at the present time are not normal and rules which might have paramount force and acceptance when peace and order hold full sway throughout Mexico must necessarily be suspended or held in abeyance for the moment. Our Government, as you very well know, has heavy responsibilities to its citizens in Mexico and, also, important ones of a secondary character to all foreigners. These must be discharged, and, frankly speaking, I believe that in discharging our duties to these Americans and foreigners we are also contributing materially to the reestablishment of peace in Mexico.

Believe me [etc.]

[Copy not signed.]

File No. 812.00/6998.

The American Consul at Ciudad Porfirio Díaz to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN CONSULATE,
Eagle Pass, April 3, 1913.

It has been announced that Governor Venustiano Carranza will establish the general headquarters of the Constitutionalists at Ciudad Porfirio Díaz and that he will be considered by them as their Provisional President. Gustavo Espinosa, private secretary of Governor

Carranza, has left Ciudad Porfirio Díaz via Eagle Pass for some point on the American side of the border to confer with Constitutionalists of the north States of Mexico who are to meet there.

LUTHER T. ELLSWORTH.

File No. 812.00/7013.

The American Ambassador to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN EMBASSY,
Mexico City, April 4, 1913.

163. The Government is in control from the State of Durango south, with the exception of unimportant bands in Sinaloa and Zapata's forces in Morelos, the latter greatly reduced.

As to Coahuila, Durango, and Nuevo Leon, I believe conditions will steadily improve.

The Government expects to suppress at an early date the Sonora rebellion.

HENRY LANE WILSON.

File No. 812.00/7011.

AMERICAN EMBASSY,
Mexico City, April 4, 1913—1 p. m.

159. Intention to execute General Angeles being insistently reported. I remonstrated yesterday at the Foreign Office against any such action, as I am sure the General is not guilty of any crime. Mr. de la Barra said he would ask the Government for guaranties of his life.

HENRY LANE WILSON.

File No. 812.00/7011.

The Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, April 5, 1913.

171. The Department assumes that such action as you have taken on your own initiative in regard to General Angeles, as reported in your April 4, 1 p. m., is based solely on humanitarian grounds and is entirely informal and unofficial.

BRYAN.

File No. 812.00/7029.

The American Consul at Ciudad Porfirio Díaz to the Secretary of State.

[Telegram—Paraphrase.]

EAGLE PASS, *April 5, 1913.*

The Constitutionalist Chief, Venustiano Carranza, has had a big sign placed on the customhouse at Ciudad Porfirio Díaz, reading

in translation "Palace of the Government." A majority of the people in the United States opposite this district are in sympathy with the Carrancista cause.

LUTHER T. ELLSWORTH.

File No. 812.00/7129.

The American Consul at Matamoros to the Secretary of State.

No. 112.] AMERICAN CONSULATE,
Matamoros, April 7, 1913.

SIR: I have the honor to explain my action for allowing General Estrada to enter this Consulate on the 17th of February, 1913, at his earnest request. On that day General Estrada's entire force rebelled and declared themselves in favor of General Felix Díaz, and left the old General at the mercy of one Major Ramos, who was the instigator and leader of the revolution—a man who, the General firmly believed, would not hesitate to commit the most dastardly crime to get rid of him (General Estrada). He appealed to me to allow him to remain in my office for a few days until he could get over to Brownsville without great danger to his life. After he arrived at my office he expressed a desire to go to Brownsville that same night, and a friend of his procured an automobile for the purpose, but the General had good reasons to believe that guards and spies were on the watch, and he was afraid to make the attempt. He is a man of sixty-eight years old, and expressed himself as loyal to the Government regardless of who might be President. He remained with me for sixteen days (leaving March 5), when he was ordered by the Secretary of War to report at the City of Mexico for orders. He left the same night about one o'clock by carriage to Brownsville, Texas, and there took an automobile to Reynosa, Mexico, where he caught the train that left here at six o'clock a. m. same day. * * * The old General could not get across the river without great danger, and I thought it an act of humanity to protect him. I have refused others protection but I deemed his case a very meritorious one. I hope and trust that I did not commit a great wrong.

I have [etc.]

JESSE H. JOHNSON.

File No. 812.00/7392.

The Mexican Chargé d'Affaires to the Secretary of State.

[Translation.]

AMERICAN EMBASSY,
Washington, April 7, 1913.

EXCELLENCY: In compliance with instructions received from my Government, I have the honor to apply to your excellency with a request that you be pleased to use your good offices to the end that every possible facility be extended to a Mexican Commission composed of eight persons and headed by Licenciado don Ramón González Suárez which will go to El Paso, Texas, via Brownsville or Laredo, for the purpose of holding peace conferences there.

I have pleasure [etc.]

ARTURO DE LA CUEVA.

File No. 812.00/7066.

The American Ambassador to the Secretary of State.

[Telegram—Extract.]

AMERICAN EMBASSY,
Mexico City, April 9, 1913.

173. Without being advised of the policy of our Government but from considerations relating to the peace and good will of this continent, I deem it my duty to say to the Department that upon the high grounds of international polity, American interests and procurement of peace and order in Mexico, this Government should have the earnest moral support and assistance of ours, for if it does not succeed in sustaining itself absolute chaos will come and intervention will be inevitable. This is said with due regard for our proposals for an international claims commission which is vastly important but not so vital, responsibility having been accepted in principle, as the restoration of peace and order in this unfortunate country.

HENRY LANE WILSON.

File No. 812.00/7071.

The American Minister to Chile to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Santiago, April 10, 1913.

The Minister for Foreign Affairs informs me that the action of Chile in regard to recognition of the Mexican Government will largely conform to that of the United States.

FLETCHER.

File No. 812.00/7094.

The American Ambassador to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN EMBASSY,
Mexico, April 12, 1913.

176. This Government has been recognized by the Government of His Majesty the King of Spain.

HENRY LANE WILSON.

File No. 812.00/7113.

AMERICAN EMBASSY,
Mexico, April 12, 1913—2 p. m.

181. My March 20, 8 p. m., from Vera Cruz. The Minister for Foreign Affairs requests me to secure from the Department a statement as to the stay of American war vessels in Mexican ports beyond the time permitted by Mexican law, which is imperative in this matter, leaving no discretion to the Government. Mr. de la Barra says his Government would be greatly embarrassed if the press should notice the provisions of the law.

HENRY LANE WILSON.

File No. 812.00/7161.

AMERICAN EMBASSY,
Mexico, April 15, 1913—10 p. m.

183. If the Department can do anything to aid Mexico in negotiating a loan at this moment, such action would possibly result in restoring peace and in enabling this Government to maintain itself, as the great absorbing question is the economic one. I am not prepared to suggest how such aid could be rendered as I am not in possession of the Department's views.

HENRY LANE WILSON.

File No. 812.00/7253.

The American Ambassador to the Secretary of State.

No. 1924.] AMERICAN EMBASSY,
Mexico, April 15, 1913.

SIR: Supplementing my despatch No. 1917 of April 2, 1913, in which I transmitted copies of correspondence exchanged with the Minister for Foreign Affairs of the Provisional Government of Mexico relative to the continuance of American war vessels in the port of Vera Cruz, I have the honor to transmit herewith further correspondence in the matter.

I have [etc.]

HENRY LANE WILSON.

[Inclosure 1—Translation.]

The Minister for Foreign Affairs to the American Ambassador.

FOREIGN OFFICE,
Mexico, April 5, 1913.

MR. AMBASSADOR: This Department has received, first your excellency's note of the 2nd instant, and afterwards, your note of the 1st, relating to the stay of American vessels in ports of this Republic.[1]

Your excellency states [etc.]

It is my duty to invite your excellency's attention to three points which I consider of the greatest importance in the matter:

1st. At no time, whatever may be the circumstances of the country, can the principles upon which the sovereignty of a country is based be considered as suspended, and much less with reference to measures of a military and naval character. For this reason Mexico considers as a matter of the greatest timeliness, and duly appreciates, the explanations contained in your excellency's letter, to which I will refer in due time.

2nd. The opportunity in which a question of this character can not exist or fail to occur on account of external acts, such as the recognition or non-recognition of the government of a sovereign nation; and,

3rd. Speaking of recognition itself, I must say that Mexico considers that its Government has been formally recognized by all friendly Governments which have representatives in this country, as appears from the official relations maintained by said representatives with the Chief Executive and with the Department under my charge, the undersigned being of the opinion that the reply given to the autograph letter by which the President announces his succession to power [is] a mere consequence of the above-mentioned relations.

In the opinion of the undersigned, these considerations are of much more weight considering that in the present case it is not a question of a de facto government, but of one which has all the constitutional characteristics and requisites, as is known to your excellency by means of evident and well-known facts.

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[1] See inclosures in Mr. Wilson's despatch of April 2.

After having made the above explanation, I can not refrain from thanking your excellency for the information contained in the note under acknowledgment that orders have been given by the Navy Department recalling the vessels stationed in Gulf ports, which stay I can assure your excellency is not necessary to maintain the peace in the port and State of Vera Cruz, because, contrary to what appears from the reports of the American Consul, the Governor of the State as well as the Commander of the port, are loyal to the Government.

I trust that your excellency will have the kindness to communicate to me the result of the action taken in the matter after informing the Washington Government of the provisions of the Mexican law which forbid foreign vessels from staying in Mexican waters for more than thirty days.

I avail [etc.]

F. L. DE LA BARRA.

[Inclosure 2—Translation.]

The Minister for Foreign Affairs to the American Ambassador.

FOREIGN OFFICE,
Mexico, April 10, 1913.

MR. AMBASSADOR: I have the honor again to address your excellency in order to reiterate the desirability of securing from the Department of State a reply concerning the stay of American vessels in ports of this Republic, as it has been extended beyond the time which the law permits the Mexican authorities to grant, as explained to your excellency in my previous notes.

I believe that your excellency's Government will duly understand this indication, inasmuch as it must be convinced that mutual respect has always constituted the firmest basis of the good relations which happily unite the two peoples and the two Governments, and that it would be lamentable if they should become less cordial, even for a brief time, which would probably happen if unfortunately the representatives of the press should take note of the provisions of the law of Mexico, which are imperative in this connection, and which do not leave any discretion to my Government concerning the strict watch it should exercise in the performance of its duties in matters of this kind.

I do not doubt that the Government of the United States will justly estimate these suggestions, which are in keeping with friendly relations and the spirit of justice on which they are based.

I avail [etc.]

F. L. DE LA BARRA.

[Inclosure 3.]

The American Ambassador to the Minister for Foreign Affairs.

AMERICAN EMBASSY,
Mexico, April 11, 1913.

MR. MINISTER: I have the honor to acknowledge the receipt of your excellency's esteemed note of April 5th.

I have carefully noted the considerations to which your excellency is good enough to invite my attention, as pertinent to the further continuance in Mexican waters of American war vessels, and I am obliged to say that I am not in agreement therewith.

All of the representations of your excellency's Government relative to this question, with the exception of the note to which this is a reply, have been duly transmitted by telegraph to the Government at Washington, but as I have received no instructions in reply thereto I assume that it is not the purpose of my Government, as yet, to alter its policy in these matters with respect to Mexico.

I beg to suggest to your excellency that in view of your reiterated representations to me on this question, its discussion be transferred to the Mexican Embassy at Washington, by which procedure results perhaps more satisfactory may be achieved.

I avail [etc.]

HENRY LANE WILSON.

[Inclosure 4.]

The American Ambassador to the Minister for Foreign Affairs.

AMERICAN EMBASSY,
Mexico, April 12, 1913.

MR. MINISTER: I have the honor to acknowledge your excellency's esteemed note of April 10, again inviting my attention to the undesirability of the continuance of American ships of war in Mexican ports.

I am obliged to say to your excellency that, while I have, in compliance with your expressed wish, again telegraphed to my Government at Washington the substance of the views which you have expressed, I must reiterate to you my desire to have this discussion transferred to the Mexican Embassy in Washington, where, as of course your excellency understands, it properly belongs.

I avail [etc.]

HENRY LANE WILSON.

File No. 812.00/7113.

The Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, April 17, 1913—8 p. m.

192. Your April 12, 2 p. m. The *Georgia* and *Virginia* will be relieved respectively by the *Minnesota* and *Idaho*, which sailed April 16 from Philadelphia. The *Connecticut* will sail about April 22 to relieve the *Vermont*. These changes should remove the danger of embarrassment pointed out by Mr. de la Barra. You will inform the authorities and request that the usual courtesies be accorded the new vessels on arrival.

BRYAN.

File No. 812.00/7182.

The American Consul at Durango to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN CONSULATE,
Durango, April 18, 1913.

I am requested by the Governor to ascertain whether Americans feel disposed to aid the Mexican inhabitants in defending this city in case of urgent necessity. In replying to the Governor I said that in accordance with international law and according to instructions from my Government, our nationals must observe the strictest neutrality and refrain from interfering between the contending forces. The Governor pointed out that the forces now surrounding the city are not considered to be revolutionists since they are not fighting for any political principles, destruction and pillage being their only object in entering the city. Please instruct me fully by telegraph.

HAMM.

File No. 812.00/7182.

The Secretary of State to the American Consul at Durango.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, April 19, 1913.

Your April 18. While the Department will be obliged to depend to a large extent upon your discretion as to the action it may be neces-

sary to take in such dire extremity as may come about, you are nevertheless informed that you should admonish Americans that such measures as they may take for their defense should be measures solely to protect themselves against the lawlessness of mobs and outlaws, and particularly that, except for the absolute protection of their lives, they should most carefully guard against being drawn into the doing of any acts which might be construed as partisan; and there should be pointed out to them the disastrous effects such acts would undoubtedly have upon the lives and property of Americans elsewhere in Mexico. They should be reminded finally of the responsibility upon them of being absolutely disinterested and strictly non-partisan. You will if necessary make this Government's position clear to the Governor.

The Embassy at Mexico City is being instructed urgently to request that sufficient troops be dispatched immediately to Durango to provide prompt and adequate protection for Americans.

BRYAN.

File No. 812.00/7109.

The Secretary of State to the American Ambassador.

DEPARTMENT OF STATE,
Washington, April 19, 1913.

SIR: The Department has received your No. 1917 of the 2d of April, transmitting correspondence in regard to the presence of American war vessels in Mexican waters, and in reply refers you to its telegram of April 17, 8 p. m., concerning the movements of vessels of the Navy.

I am [etc.]

For Mr. Bryan:
ALVEY A. ADEE.

File No. 812.00/7206.

The Mexican Embassy to the Department of State.

[Translation—Memorandum.]

No. 438.]

The Embassy of Mexico presents its respectful compliments to the Department of State of the United States of America and has the honor to say that it has received from its Government a telegram reading word for word as follows:

In some of the notes exchanged between the Embassy and the Department of State the Department refers to the Government of Mexico as "the Administration in Mexico City" and in view of the fact that the phrase implies an idea about various points of great interest to the relations between the two Governments, you will please call on the Secretary of State of the United States and submit to him appropriate remarks in the matter. If by the cited phrase it is intended to intimate that the Government of Mexico is a de facto Government and does not possess the constitutional requisites to be considered as a de jure Government, it must be noted that, in point of law, it emanated from acts that were unquestionably lawful, for although the resignations of President Madero and Vice President Pino Suárez were the result of a revolutionary movement in which elements of very different origins took part, the transfer of power was effected in accordance with the terms of the Constitution and with the concurrence of functionaries belonging to Mr. Madero's Administration and of men who had long been faithful members of his party, such as the members who form the majority of the Legislative Chambers elected under Mr. Madero's Ad-

ministration. To this is to be added the fact that the Administration over which General Don Victoriano Huerta presides is recognized, not as a de facto, but as a Constitutional Government by the Governments of the States, many of which, the great majority, also belonged to the party led by Mr. Madero, were elevated to the offices they now hold in accordance with the political tendencies of that party. The Mexican Government, therefore, is not in the position of a de facto Government of revolutionary organization, nor in that of a de jure Government before which stands another with pretensions to absolute domination throughout the national territory and to the suppression of its adversary, as was the case with the Federal Government during the War of Secession, and with the Constitutional Government presided over by Citizen Benito Juárez during the War of Reform and that of Intervention. If the words "the Administration that is officiating in the City of Mexico" are intended or understood to mean a Government lacking lawful origin, that can not be admitted and much less if the words carry the idea that the Mexican Government commands respect in only a portion of the national territory; for, as already stated, its action covers the whole country and obedience is only withheld by knots of rebels in Sonora, Coahuila, Durango and Morelos, a rebellion that in no wise can be taken as stripping the Mexican Government of all the attributes of an undeniable political power; for even if it be taken for granted that the rebellion be such as to outweigh the means of repression at the Government's disposal, the rebellion has not as yet come out with the pretension of organizing a new Government and opposing it to the Constitutional Government, but is only bent on continuing the rebellion and withdrawing certain parts of the national territory from obedience to the lawful authorities, involving the authorities in conflicts that might cause the overthrow of the President of the Republic.

It is to be hoped that the foregoing remarks will find an echo in the justice-loving mind of the Secretary of State and that, as a result, they will fully define the consideration which, in the matter of international relations, is due to the Mexican Government as the nation's sole representative with friendly nations, not merely as an administrative organization accidentally in charge of the various public services in certain places. The Government of Mexico is far from affecting an easiness it does not entertain as to the situation of the country; indeed it is well known, on the contrary, to have divulged, on several occasions, through its official organs, the many difficulties of the situation and the efforts required for the restoration of order and revival of public prosperity; but it also knows that the group at the head of the present situation is not responsible to the nation for the ills that have befallen it and that acceptance of the administration of public affairs in one of the most trying crises that Mexico has undergone is prompted by a sentiment of abnegation and patriotism; for that reason it also believes that not only ought it to be recognized as a constitutionally organized power but also that the Government of the United States, always a friend of Mexico's, will appreciate at its true value the significance of the efforts now being put forth by all the men in charge of the public administration to attain the ends above referred to and more particularly the discharge of their duties for the protection of life and property.

Please make special mention to the Secretary of State of the fact, for which there are few precedents in our history, that the Government's moral authority succeeded in bringing together many political elements of very diverse affiliation which, inspired by a yearning for public peace, vigorously urge forward the undertaking of conciliation applauded by the press of the country without distinction of party and stimulated by the utterance of public opinion.

MEXICAN EMBASSY,
Washington, April 19, 1913.

File No. 812.00/7298.

The Constitutionalist Chief, Venustiano Carranza, Governor of Coahuila, to the President.

[Telegram—Translation.]

EAGLE PASS, TEXAS, *April 21, 1913.*

I hear from Laredo, Texas, that the military authority of that place has permitted the importation into Laredo, Mexico, for Gen-

eral Trucy, chief of the Huerta forces, of two machine-guns and 5,000 cartridges. As the illegal government of Huerta has not been recognized by Your Excellency, I judge that you must consider General Huerta and his officers to have a status inferior to mine as Constitutional Governor of the State and also chief of all the Constitutionalist forces of the Republic, who have refused to recognize the government deriving from a military conspiracy.

The Government in my charge therefore believes that if the United States has permitted or permits the importation of arms and munitions of war for Huerta's forces, an equal concession should be made to the Constitutional Government of this State, which I represent, and to the States and Chiefs who are fighting for the reestablishment of legal order in Mexico, thus placing the contending parties on an equal footing in the war now involving the Republic.

I therefore beg Your Excellency's Government to permit the importation of the arms and munitions of war needed by the forces of legal order which I represent, without difficulties being made by the United States authorities.

I trust that Your Excellency will pardon the Government in my charge for thus addressing you directly; it is an irregularity due to my Government's inability to act through the Minister for Foreign Affairs of my country, as I do not recognize as legal the so-called government of General Huerta.

The Constitutional Governor of Coahuila,
V. CARRANZA,
President of the Mexican Republic.

PIEDRAS NEGRAS, COAHUILA.

File No. 812.00/7129.

The Secretary of State to the American Consul at Matamoros.

No. 52.] DEPARTMENT OF STATE,
Washington, April 24, 1913.

SIR: The Department has received your despatch No. 112 of April 7, 1913, explaining your action in allowing General Estrada to enter your Consulate on the 17th of February, 1913.

While the Department is not inclined to disapprove your action under the circumstances as you explain them, it is not entirely clear that it was necessary for such protection to be extended over so long a period of time, especially in view of the proximity of the international border.

In this connection it seems pertinent to invite your attention to the Department's standing instructions that, while indisposed to direct its representatives to deny temporary shelter to any person whose life may be immediately threatened, this Government does not sanction the usage of asylum and enjoins upon its representatives the avoidance of all pretexts for its exercise.

Your action therefore in similar cases which may arise in the future should be limited to the affording of protection only when it appears to be absolutely necessary for the preservation of life and should be in the nature of temporary refuge. It should be distinctly under-

stood that the protection extended should be strictly limited as indicated, and that no promise of shelter should be given in advance of an emergency seeming to call therefor.

I am [etc.]

For Mr. Bryan:
WILBUR J. CARR.

File No. 812.00/7191.

The Acting Secretary of State to the Secretary of War.

DEPARTMENT OF STATE,
Washington, April 25, 1913.

SIR: I have the honor to enclose herewith, for such action as may be deemed appropriate, a translation of a note from the Chargé d'Affaires of Mexico, in which he requests that General Ojeda, and the persons who accompanied him when he entered the United States after the recent battle at Naco, Sonora, be allowed to return to Mexico.

I have [etc.]

J. B. MOORE.

[Inclosure—Translation.]

The Mexican Chargé d'Affaires to the Secretary of State.

No. 434.] MEXICAN EMBASSY,
Washington, April 18, 1913.

EXCELLENCY: General Ojeda and others who accompany him came to Naco, Arizona, after a battle that was fought near Naco, Sonora; in this connection I have the honor to apply for your excellency's good offices to the end that General Ojeda and the others be permitted to return to the territory of my country.

Thanking your excellency in advance I have [etc.]

ARTURO DE LA CUEVA.

File No. 812.00/7268.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, April 26, 1913—7 p. m.

213. In view of the limit set by the Constitution for the stay of war vessels in Mexican waters, Mr. de la Barra, was interpolated in Congress yesterday with reference to the American vessels, and he expects to discuss international affairs this afternoon before the Senate. He requested me to give him a memorandum on this subject, which I did; a copy will be forwarded to the Department.

HENRY LANE WILSON.

File No. 812.00/7303.

The Mexican Chargé d'Affaires to the Secretary of State.

[Translation.]

No. 450.] MEXICAN EMBASSY,
Washington, April 29, 1913.

I have the honor to request your excellency's good offices in obtaining permission for the departure from the territory of the

United States of General Ojeda, two chiefs, seventeen officers and a paymaster, who have been detained in San Diego, California, after they had apparently been granted official permission to return to my country, the cause of the renewed detention being unknown.

Thanking you [etc.]

ARTURO DE LA CUEVA.

File No. 812.00/7335.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, May 1, 1913—9 p. m.

218. Yesterday it was decided by the executive and judicial authorities with the approval of President Huerta and General Díaz, that the constitutional elections should be held on October 26.

HENRY LANE WILSON.

File No. 812.00/7371.

The Mexican Chargé d'Affaires to the Secretary of State.

[Translation.]

No. 455.] MEXICAN EMBASSY,
Washington, May 2, 1913.

EXCELLENCY: It affords me pleasure to inform your excellency that I received last evening from the Secretary of Foreign Relations of my country a telegraphic despatch worded as follows:

Last evening there was held at Palace meeting attended by President, members of the Cabinet, President of Supreme Court, Attorney General, representatives political parties both Chambers and General Felix Díaz, presidential candidate. Meeting called by President with the object of patriotically unifying acts and policies, which was fully achieved. It was agreed to hold presidential elections October 26. President gave full account of campaign of pacification, all those present being satisfied that effective means are used to that end and filled with hope knowing General Huerta's acknowledged competence. Important news favorably received, enthusiastically commented by the press.

I avail [etc.]

A. ALGARA R. DE TERREROS.

File No. 812.00/7371.

The Acting Secretary of State to the Mexican Chargé d'Affaires.

DEPARTMENT OF STATE,
Washington, May 7, 1913.

SIR: I have the honor to acknowledge the receipt of your note of the 2d of May, quoting a telegram by which the Secretary of Foreign Relations informed you that there had been held at the Palace a meeting of the principal officials of the Administration at Mexico City, and General Felix Díaz, presidential candidate, called by General Huerta for the purpose of inaugurating a campaign of pacification, at which meeting it was agreed to hold presidential elections on the 26th of next October.

The Department is glad to learn from your note that those who were present feel confident that order and peace will be reestablished in Mexico.

Accept [etc.]

J. B. MOORE.

File No. 812.00/7268.

The Acting Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, May 7, 1913—2 p. m.

212. Your April 25, 7 p. m. If you find it necessary to renew representations to the central administration on the subject of the war vessels you will say that the Department believes it not necessary for this Government to request permission for vessels of its Navy to remain for more than one month in Mexican waters. Mr. de la Barra, it is assumed, bases his objections to their presence upon paragraph 16 of article 72 of the Mexican Constitution; but this paragraph apparently does not require the permission referred to. It provides inter alia that the Mexican Congress has power "* * * to consent to fleets of other powers remaining for more than one month in waters of the Republic."[1] This clause refers to fleets or squadrons, not to a single vessel nor to a small number of vessels. Similar clauses are found in other constitutions or laws, and are thus construed. If the Mexican Administration were to manifest a disposition to raise questions as to the prolongation of the stay of American ships here and there in Mexican waters for the purpose of affording local protection in emergencies, it is needless to point out to you how unfortunate it would be, in the present troubled state of affairs in Mexico involving so much peril to Americans and American interests and to other foreigners and other foreign interests.

MOORE.

File No. 812.00/7431.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, May 8, 1913—8 p. m.

225. The President yesterday informed me that public opinion was being greatly irritated throughout the country on account of the delay of our Government in recognizing the present Provisional Government, for which there seemed to be no good reason, as it has been recognized by Great Britain and Spain and would soon be recognized by Germany, Italy, and France. He said that this Government was earnestly endeavoring to perform all of its international obligations; that it was rapidly reorganizing and increasing the army for the reestablishment of peace and the protection of foreigners;

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[1] The original text reads: "Para conceder o negar la entrada de tropas extranjeras en el territorio de la Federación, o consentir la estación de escuadras de otra potencia, por más de un mes, en las aguas de la República."

that this administration, though not elected, had been as legally constituted as any government could possibly be; that it was solvent although it had entered upon its task of reestablishing order with a bankrupt treasury left by the Madero administration, which had plundered the nation, and with no army; that constitutional liberties were being granted to all law-abiding Mexicans; that by careful administration and wise direction of public funds a new army had been built up, equipped, and was about to take the aggressive against the rebels throughout the Republic. In view of these facts his administration regarded as unwise the attitude of the United States in refusing to accord it official recognition; that such an attitude was susceptible of an unfriendly interpretation; and that in the event of this Government failing to sustain itself the opinion of the Latin-American world was certain to place the responsibility for whatever disasters might follow upon the administration at Washington. He said that on this account his Government did not feel that it would be justified, in view of a hostile public opinion and of the undignified position in which it would be placed by so doing, in concluding the important questions at present pending between the two Governments—that is to say, the Chamizal and Colorado River cases and the special and general claims cases. He added that the Washington Government's views in these and other cases had been accepted in principle by this Government, and that whenever the Government of the United States would place this Government in the position of settling the questions as matters between two friendly and sovereign if not equally powerful countries their solution might be expected.

I replied briefly that the views of the President and Secretary of State on this question had not been communicated to me and asked if he desired me to transmit the substance of what he had said to Washington. He asked me to do so.

HENRY LANE WILSON.

File No. 812.00/7454.

The American Ambassador to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN EMBASSY,
Mexico, May 10, 1913—noon.

227. Referring to the Embassy's 225, May 8, 8 p. m. After the interview related therein the President and the Minister for Foreign Affairs publicly stated that thereafter the relations with the Ambassador would be confined to simple routine matters and that no important questions would be discussed with the Embassy. The Department will understand that if adhered to this resolution would leave the President's Ambassador Extraordinary and Plenipotentiary in this country with the functions only of a simple Chargé d'Affaires. It is to be doubted whether it lies within the power of this Government to define the extent of its relations with a properly accredited and accepted diplomatic representative. The only means of circumscribing or terminating my full diplomatic functions would be to hand me my passports.

HENRY LANE WILSON.

File No. 812.00/7455.

AMERICAN EMBASSY,
Mexico, May 11, 1913—1 p. m.

230. The Embassy's May 10, noon. Mr. de la Barra now says that he agrees with me as to the correctness of my statement to the Department of State that this Government could not limit or subtract from the powers of a regularly appointed and accepted diplomatic officer except by the handing of passports, which is not contemplated by this Government.

HENRY LANE WILSON.

File No. 812.00/7392.

The Secretary of State to the Mexican Chargé d'Affaires.

No. 293.] DEPARTMENT OF STATE,
Washington, May 14, 1913.

SIR: I have the honor to acknowledge the receipt of the Embassy's note of the 7th of April, requesting that every facility be extended to the Mexican Commission headed by Licenciado Don Ramón Gonzáles Suárez which was about to go to El Paso to hold peace conferences.

In reply I beg to say that, as conditions have changed somewhat since the Embassy's note was written, no action in this matter would now appear to be necessary.

Accept [etc.]

For the Secretary of State:
J. B. MOORE.

File No. 812.00/7652.

The American Ambassador to the Secretary of State.

[Extract.]

No. 1955.] AMERICAN EMBASSY,
Mexico, May 15, 1913.

MY DEAR MR. BRYAN: Since my despatch of March 12, 1913, which aimed to cover in the fullest detail the events of the recent revolutionary uprising which led to the installation of the present Huerta Government, events have crowded so thick and fast that an intelligent analysis of the situation has been difficult if not impossible. I have, therefore, confined my reports to brief telegraphic narratives of the most conspicuous and urgent matters, hoping from day to day that the situation might become more clearly defined and that I might be able to put in the hands of the Department such a comprehensive and thorough statement as would be of value for its guidance. Even now I do not feel that the situation is clear enough to warrant decisive conclusions either of a pessimistic or optimistic character, and I must beg you to accept such views as I may, from time to time, present to the Department as more or less tentative.

The present Provisional Government, which came into power with the apparent enthusiastic approval of all classes of Mexicans and which displayed in the earlier stages of its incumbency marked ac-

tivity, great sagacity, and a broad and conciliatory spirit, has not entirely fulfilled the hopes of all those who anxiously desire the restoration of peace and order throughout Mexico, nor has it given, under prolonged tests, those evidences of administrative ability which it revealed in the first moments of its existence and which I then believed would enable it to triumph over all difficulties. In no inconsiderable measure the failure by the present provisional administration to secure better results is due to the lamentable condition in which the finances of the country were left by the Madero administration. The public credit had been greatly injured and the national prestige greatly lowered by the peculiar methods of that administration and its inability or disinclination promptly to fulfill its international obligations. In addition to this the public treasury had undoubtedly been looted by the vast horde of greedy adventurers who surrounded Madero, controlled his councils, and led him into the commission not only of financial blunders but of serious attacks on the constitutional rights of the people. Thus, the new administration was confronted at the time of taking office with a grave economic situation, with a disordered administrative system, with a hostile legislative majority, and with an army which had been reduced to diminutive proportions and demoralized in discipline and morale. Moreover, the vast extent of territory over which it has been compelled to assert its authority against the violent and destructive spirits which were loosed by the Madero administration and which are now being encouraged by secret agents in the United States and in every part of this Republic to revolt against the Provisional Government has made the task of restoring peace enormously difficult and is impressing both native and foreign opinion with the belief that the restoration of normal conditions will be well-nigh impossible for any government to procure.

In one direction the Government has shown commendable energy which may possibly produce good results in the early future. It has moved with great activity in the reorganization of the army, and has enlisted by one process and another somewhere between 15,000 and 20,000 soldiers during the past month. These are being dispatched rapidly to the disturbed sections of the country and the administration confidently relies upon their ability to destroy the forces now in arms against the Government.

With reference to the disturbances which exist throughout the country the situation is about as follows: [Military situation described.]

The phase of the entire situation in Mexico which is being commented on now most extensively by foreign and native opinion and which is a matter of lively concern to the present Government is that resulting from an apparent collusion between a more or less clearly defined interventionist organization in the United States and the State authorities on the American side of the border. This organization, according to reports which have been received here, is contributing moral and material support to the revolutionary cause and is conducting a campaign in conjunction [with] or with the aid of representatives of the Madero political party now in refuge in the United States with the primary object of forming an independent republic from Mexican territory contiguous to the border and reaching as far south as the twenty-sixth parallel. This would embrace

Lower California, the States of Sonora, Chihuahua, Coahuila, and parts of the States of Nuevo Leon, Durango, and Sinaloa. The program of the organization is, first, to secede from Mexico and then, following the Texas precedent, to apply for admission as States into the American Union. * * *

The existence of this organization and its power are not in the least doubted by the Mexican Government and people, and the opinion is general that it is influencing the attitude of the United States toward Mexico at the present moment. To this large section of public opinion the failure of our Government officially and formally to recognize the present Provisional Government is unhesitatingly accepted as evidence that it is secretly in sympathy with the plotters against the integrity of the Republic and is conniving at the overthrow of the authority of a neighboring and friendly State. The Government is actively propagating this idea not only at home but abroad, and it is beginning to have lodgment in the opinion of the Diplomatic Corps here.

The resentment which exists here against our policy is profound and growing, and it is finding expression in excited discussions in the press in open attacks on our Government and this Embassy (which is supposed to be making representations against recognition) and by what appears to be an organized boycott of American commodities of all kinds which would be most effective if any great amount of American products were coming into the country.

Whatever reasons of policy lie at the foundation of our Government's present attitude toward Mexico, and it is not doubted that they are conceived in a spirit of justice, it is none the less true that the effects here have been most disastrous, not only creating and reviving a new and intense anti-American spirit in this country which is making itself felt in all the channels of trade and the daily relations of life, but is giving ground for a false interpretation by rebels of friendliness toward them. The other foreign interests in this country are taking (and openly state so) advantage of our present unpopularity, and, through their diplomatic representatives and in other ways, are taking from Americans trade and privileges which, under normal conditions, would belong to us. The British Minister informed me a few days ago that he thought it entirely fair to make use of the opportunity growing out of the present embarrassed relations with the United States to push British enterprises in every direction, and there is a semiofficial statement in the press emanating from the President to the effect that the Government intends in all ways to show a preference to the nationals of those Governments which have recognized Mexico over those which have failed to do so.

The economic situation of the country, to which the attention of the Department has been frequently called by telegraph, continues to be very grave. Exchange on Europe and the United States has been as high as 2.40 and at the present moment is 2.20. These rates are, of course, practically prohibitive except for small transactions and an abnormal situation of foreign trade relations therefore exists which is without parallel in the history of this country for the last 50 years. The destruction of railways and lines of communication, which is being extensively carried on and which has now brought about the annihilation of over 60 per cent of the railway system of

Mexico, adds in a very marked way to the general economic disorder. The coffee, sugar, rubber, and fruits of the south are either going to waste on account of a diminished labor market or because the products if harvested can not be transported to market. The closing of silver and gold mines and the suspension of the smelting and iron mills of the country, which are the principal supplies of foreign exchange, have enormously increased the difficulties of a situation already almost strained to the breaking point. The strong probabilities are, however, that this economic situation will soon be relieved by the dissemination through all the channels of trade of the $150,000,000 loan which appears now to be in the last stages of negotiation. This loan is being secured through a Belgian-English-French syndicate and, although the details have not been fully arranged and are not known to the public, my advices are that they are highly disadvantageous to this Government as they include a high rate of interest and a fixed percentage charge on customs duties.

The attitude of the President and his Cabinet vis-à-vis the situation which has been recounted in these pages remains calm, serene, active, and vigilant. The President is a man of indomitable courage, great energy, and, I believe, great patriotism. His manners and methods are not always above reproach, but he understands his country and the Mexican people, and he knows what he wants and usually manages to get it. The Cabinet is composed of some of the best material the country affords, and is in marked contrast with all others which have existed in the past ten years. While not in perfect political harmony, it is working unitedly and unselfishly for the restoration of peace throughout the country and it is having the support of the best elements.

I am [etc.] HENRY LANE WILSON.

File No. 812.00/7529.

The American Ambassador to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN EMBASSY,
Mexico, May 17, 1913—4 p. m.

238. The Governments of China, Italy, Germany and Portugal have notified the Provisional Government through their representatives here that their Chief Magistrates and Sovereigns, respectively, have signed autograph letters recognizing the present Provisional Government. The Governments of Chile, Belgium and Norway will probably recognize very soon.

HENRY LANE WILSON.

File No. 812.00/7528.

AMERICAN EMBASSY,
Mexico, May 18, 1913—11 a. m.

239. This morning the Associated Press publishes what purports to be an official statement from the Department of State to the effect that official recognition of Mexico is to be made. This statement is coupled with the statement that such action is taken on account of the difficulties and unfriendly relations which have arisen.

HENRY LANE WILSON.

File No. 812.00/7528.

The Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, May 19, 1913—11 a. m.

Your telegram of May 18. No statement on the subject of recognition has been issued by the Department and no intimation given on the subject. Any statement made will of course be communicated to you and you are therefore authorized to deny as without authority statements which appear in the press which are not verified by direct communications to you.

BRYAN.

The American Ambassador to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN EMBASSY,
Mexico, May 21, 1913—5 p. m.

245. The Provisional Government of Mexico has today been formally recognized by the Governments of Belgium and Guatemala.

HENRY LANE WILSON.

File No. 812.00/7598.

AMERICAN EMBASSY,
Mexico, May 25, 1913—noon.

252. The Government of Norway has formally recognized the Provisional Government of Mexico.

HENRY LANE WILSON.

File No. 812.00/7653.

The American Ambassador to Brazil to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Rio de Janeiro, May 31, 1913.

An expression of opinion from the Government of the United States of America regarding the advisability of recognizing the present Government of Mexico would be highly appreciated by the Government of Brazil. Both Argentina and Chile have inquired what action Brazil contemplates. Brazil desires to know whether or not the United States would be incommoded if the three Powers should recognize before the United States found it convenient to do so.

MORGAN.

File No. 812.00/7653.

The Secretary of State to the American Ambassador to Brazil.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, May 31, 1913—7 p. m.

This Government is not ready to consider recognizing Mexico. It is hoped the countries mentioned in your telegram of May 31 may see their way clear to withhold action until our course has been determined.

BRYAN.

File No. 812.00/7664.

The American Ambassador to the Secretary of State.

[Telegram.]

AMERICAN EMBASSY,
Mexico, June 1, 1913—10 p. m.

265. Russia has officially recognized the present Provisional Government of Mexico.

HENRY LANE WILSON.

File No. 812.00/7678.

The American Ambassador to Brazil to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Rio de Janeiro, June 2, 1913—6 p. m.

Acting Minister for Foreign Affairs assured me this afternoon that Brazil would withhold recognition of Mexico until our course had been determined.

MORGAN.

File No. 812.51/79.

The American Ambassador to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN EMBASSY,
Mexico, June 2, 1913—9 p. m.

266. Mexican loan of 200,000,000 pesos has been definitely concluded. Speyer Brothers share in this loan as creditors and also directly through their European houses.

HENRY LANE WILSON.

File No. 312.93/31.

AMERICAN EMBASSY,
Mexico, June 3, 1913—11 a. m.

268. The Chinese Chargé d'Affaires has requested, in the name of his Government, that American consuls in disturbed districts be instructed to extend protection to Chinese citizens when in distress or danger. I await instructions.

HENRY LANE WILSON.

File No. 312.93/31.

The Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, June 6, 1913—3 p. m.

240. Your June 3. You may instruct consuls to render, whenever it appears to them to be necessary, such informal good offices as may be possible, and as the local authorities may permit to be exercised, to Chinese resident in Mexico.

BRYAN.

File No. 812.00/7741.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, June 9, 1913—8 p. m.

280. The vast injury to American trade and prestige, the unsuccessful representations for protection to American interests and lives, the freedom and persistence with which the rebel forces claim our attitude to be a signal of encouragement and support, the hostility of a rapidly growing Mexican opinion supported by an almost unanimous resident American opinion, the great and permanent advantages European nations are securing as a result of our forced inactivity—are so increasing the difficulty and embarrassment attending the transactions of the Embassy with the Mexican Government and are making such a disheartening impression upon me that, at the risk of being considered intrusive and insistent, I must again urge upon the President that on the highest grounds of policy—which in this case I understand to be the conserving and the extension of our material interests in Mexico, the restoration of peace, and the cultivation of sentiments of friendship and respect with a neighboring and friendly nation—we should, without further delay, following the example of all Governments accredited here but two, accord official recognition to the present Provisional Government. I respectfully request that this question be brought to the direct and personal attention of the President and that his attention be called to the circumstance that although I have been his personal representative at this post for three months I have not been put in possession of the attitude of the administration on the question of recognition. I respectfully request that the views and policy of the President on this question be transmitted to me by telegraph in a confidential way in order that I may by word and attitude faithfully reflect the same and I beg the President to believe that I make this request in order that I may render more intelligent and effective service to the present administration, and that I have no preconceived views in conflict with the faithful representation thereof.

HENRY LANE WILSON.

File No. 812.00/7833.

The American Ambassador to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN EMBASSY,
Mexico, June 19, 1913—5 p. m.

296. This morning General Díaz assured me that his relations with Huerta were excellent up to date: that he had no reason to doubt Huerta's good faith nor his intention to carry out the election law impartially and regularly; that the compact made in this Embassy[1] between himself and Huerta he now considered dissolved by the definite agreement and law for the constitutional election on October 26; and that he believed Huerta should receive the support of all Mexican elements and foreign powers in his difficult task of restoring peace. His information was that the revolutionary forces in the north were becoming badly demoralized, and on account of the large number of troops that were being dispatched north he expected to see a radical change in the situation there within two weeks. He greatly regretted the failure of our Government to accord official recognition of the present Provisional Government, as our attitude was misinterpreted both by the rebels and the Government, and tended rather to breed disorder than to impress what he believed was intended—our adherence to constitutional methods.

HENRY LANE WILSON.

File No. 812.002/29.

AMERICAN EMBASSY,
Mexico, July 8, 1913—7 p. m.

315. De la Barra resigned the position of Minister of Foreign Affairs today. The Department should advise me as to my attitude toward the new Minister. I have not yet ascertained the cause of De la Barra's resignation.

HENRY LANE WILSON.

File No. 812.00/7999.

AMERICAN EMBASSY,
Mexico, July 9, 1913—5 p. m.

316. On behalf of our great trade and commercial interests with this country, which have been practically wiped out; of those harmonious relations which should exist between contiguous and friendly nations; of the 30,000 suffering Americans who are still left in Mexico, the objects of public hatred and without any guaranties of protection for their lives and property; of the more than 100,000 Mexicans whose lives have now been sacrificed in the struggle to restore order and peace in Mexico, I am obliged again to urge upon the President the pressing necessity for some action of a drastic and convincing kind that will convince this Government and this people that our nationals must be protected in life and property, and that the barbarous and inhuman warfare which has now been waged for

[1] See telegram from the Ambassador February 18, midnight.

three years shall cease. This may be brought about in two ways. First, by the official recognition of this Government, coupled with a demand for guaranties not only for the settlement of the existing questions between Mexico and the United States, which have already been agreed to in principle, but also for a clear and defined policy of protection to American lives and to American interests, either against the depredator or corrupt judiciary. Second, by the closing of our diplomatic establishment, leaving the same in the hands of this Embassy's clerks, but under the political charge of one of the resident diplomats, and the withdrawal of the Ambassador and First Secretary from Mexico as a protest against existing conditions. I state this remedy simply, though if it were adopted it should be the subject of further discussion between the Embassy and the Department.

I submit these two courses as the only ones by which our interests may be conserved, our people protected, and a bloody war arrested. I can not obtain protection for our people at the present time because of the deliberate policy of the Mexican Government not to accord it, and because of the further fact that the whole course of events during the last three months, including the presence here in Mexico of persons claiming to be representatives of the President, are lowering the dignity of the Embassy and detracting from the respect and deference which the Mexican people have been taught to regard it during the last three years.

I believe this telegram should be called to the attention of the President and the Cabinet on account of the important policies it involves, and I [1] some important and definite expression as of paramount importance.

HENRY LANE WILSON.

File No. 812.002/29.

The Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, July 10, 1913—5 p. m.

277. Your 315, July 8, 7 p. m. This Government is maintaining diplomatic relations with the central administration at Mexico City on the basis of the fact of its existence. Therefore the Department desires when you learn that some one other than Mr. de la Barra is in charge of the business of the Mexican Foreign Office that you continue to make such representations as from time to time you are instructed to make to the central administration at Mexico City in the same manner as in the recent past. This applies equally to whoever may succeed Mr. de la Barra as Acting Secretary of State and whoever is subsequently appointed in his stead as Minister for Foreign Affairs. This, of course, does not raise any question of recognition.

BRYAN.

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[1] Omission.

File No. 812.002/31.

The American Ambassador to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN EMBASSY,
Mexico, July 11, 1913—noon.

318. Department's July 10, 5 p. m.; my 315, July 8, 7 p. m. I understand perfectly the limitations of the relations to maintain with this Government. The specific instructions I desire are in the matter of attending the official reception of the new Minister of Foreign Affairs or joining in such other manifestations which accompany the installation of a new Minister. Absenting myself at this time would be construed as an offensive act. The case was different when, in company with the entire Diplomatic Corps, I attended the De la Barra reception, as none of the Governments had then officially recognized this Government.

HENRY LANE WILSON.

File No. 812.00/8027.

AMERICAN EMBASSY,
Mexico, July 11, 1913—1 p. m.

319. When the attention of the President is called to the Embassy's 316, July 9, 5 p. m., it should be called also to the following:

The transaction of business of any kind by this Embassy with this Government has now become practically impossible, as no attention is paid to representations concerning protection to either property or life, even when repeatedly made. Americans have been told by subordinate officials that they have instructions to discriminate, delay, and ignore all American matters. A practical boycott is being directed by this Government, against not only our official representatives, but also individual Americans all over the Republic who require protection or who have matters pending with the Government. This is accompanied by a rising tide of bitter resentment which is finding unlicensed expression in the press, which is now exciting the mob and is almost the sole topic of conversation. The incomputable sufferings and losses of Americans in Mexico promise to become infinitely greater, and their treatment is rapidly tending toward persecution. The insolence of public officials to this Embassy has become intolerable, and on Monday I was obliged to say to the President that unless the Under Secretary of Foreign Affairs was immediately dismissed for his insolent bearing toward the Embassy I should be compelled immediately to take some action that would bring matters to a crisis. This official was dismissed, but the general situation remains the same.

The President should understand that in dealing with this situation he is now face to face with grave responsibilities which can be met only by an action of a firm, formidable and impressive character. One of the two courses indicated in my 316, July 9, 5 p. m., is all I can suggest, but perhaps another more satisfactory may be found by the President.

HENRY LANE WILSON.

File No. 812.00/8026.

The American Chargé d'Affaires at London to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
London, July 11, 1913—7 p. m.

16. Sir Edward Grey has made to me the strange but definite statement that the recognition of the Government of Mexico by the British Government was provisional and would terminate in October at Mexican election, when the question of recognition would come up de novo. He said other European Governments' recognition was similarly provisional. He expressed the hope that United States might see way to give additional strength emanating from similar recognition. I should like to know whether or not there is any information on the subject you wish me to convey informally.

LAUGHLIN.

File No. 812.00/8029.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, July 12, 1913—11 a. m.

321. Anti-American demonstrations attempted yesterday were checked in their inception by the police. Other attempts will probably be made. American emigration is beginning anew. A great demonstration in honor of the new Japanese Minister, who will soon arrive, is being planned as expressive of friendship for Japan and mutual hatred for the United States. The press continues to publish untruthful and inciting articles against our Government, evidently inspired by this Government. A strong and aggressive attitude should be assumed at Washington. I purpose sending a note to the Foreign Office today.

HENRY LANE WILSON.

File No. 812.00/8164.

The American Ambassador to the Secretary of State.

No. 2007.] AMERICAN EMBASSY,
Mexico, July 15, 1913.

SIR: I have the honor to transmit herewith a copy of the note which I addressed to the Subsecretary for Foreign Affairs of the Provisional Government on July 12 relative to the anti-American demonstrations in this capital.

I have [etc.]

HENRY LANE WILSON.

[Inclosure.]

The American Ambassador to the Subsecretary for Foreign Affairs.

No. 6243.] AMERICAN EMBASSY,
Mexico, July 12, 1913.

MR. SUBSECRETARY: I have noted with the greatest concern and some astonishment the remarkable demonstrations of ill will and hostility toward the Government of the United States which have taken place in this metropolis during the last three days. The excited and sensational utterances of an irresponsible press reciting occurrences which never occurred and events which never transpired; the supposedly patriotic ebullitions of misguided and tempestuous youth seeking to find expression in denunciation of a friendly Power at the risk of endangering the lives of Americans who have lived among them, and who, in the large majority, are in sympathy with their views; and the apathy of those who might guide and restrain public opinion at a time when, for the interests and good name of their own country, they should be active and vigilant, have made a profound impression on this Embassy and have brought it with great reluctance to a realization of the necessity of urging your excellency's Government to take active and immediate steps looking to the abatement of an entirely unjustifiable public excitement which might easily be made use of by demagogues or the enemies of order in bringing about conditions in this capital dangerous to all peaceful foreigners.

I am obliged to say to your excellency in the most friendly way that while this Embassy is under my charge I can not permit, without making use of all the resources placed in my hands, indiscriminate and unjustifiable abuse of the American Government, the American people, or Americans resident in Mexico, nor will any act of violence toward Americans, which it is within the power of your excellency's Government to prevent, be tolerated or extenuated. I recall to your excellency's recollection the circumstance that over half a million Mexicans are living on the other side of the frontier in peace and prosperity and under the protection of the laws of the United States. These Mexicans are not being menaced by public demonstrations, traduced by the press, injured in their business affairs, or threatened with violence. I must, with full knowledge of what this Government can and of what it can not do, request that your excellency's Government take steps guaranteeing to the Americans in Mexico every privilege and as much safety from abuse and violence as the citizens of this Republic enjoy under the laws of my country.

I avail myself [etc.]

HENRY LANE WILSON.

File No. 123.W931/215.

The American Chargé d'Affaires to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN EMBASSY,
Mexico, July 17, 1913—9 a. m.

333. I have taken charge of the Embassy. The Ambassador sails today for the United States via Habana in pursuance of the Department's instructions.[1] If arrangements can be made with the quarantine authorities he will proceed thence to Washington via Key West.

NELSON O'SHAUGHNESSY.

File No. 812.00/6063.

AMERICAN EMBASSY,
Mexico, July 17, 1913—8 p. m.

337. General Felix Díaz has definitely accepted a mission as Ambassador Extraordinary and Plenipotentiary on Special Mission to

[1] Not printed.

Japan. This was held by Gustavo Madero under the former administration. He will proceed via the Pacific coast.

I am most credibly informed that a large demonstration of a very abundant anti-American character will be given to the new Japanese Minister on his arrival in Mexico, and that a special train has been sent to meet him.

NELSON O'SHAUGHNESSY.

File No. 812.00/8029.

The Secretary of State to the American Chargé d'Affaires.

[Telegram —Paraphrase.]

DEPARTMENT OF STATE,
Washington, July 18, 1913—8 a. m.

295. The Ambassador's July 12, 11 a. m. Department has read with satisfaction that proposed anti-American demonstrations on the 11th and 12th instant were checked in their inception by the police. Any anti-American demonstrations at this time could not but be viewed with serious misgivings. The Mexican authorities should appreciate this fact, as well as the grave responsibility that would attend connivance at or indifference to anti-American agitation.

BRYAN.

File No. 812.00/8072.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, July 18, 1913—4 p. m.

340. General Felix Díaz informs me with much emphasis that his journey to Japan has no political significance whatever and requested me so to inform my Government.

I believe the administration regrets the anti-American propaganda connived at but not initiated by certain of its members, and that it will hereafter do all in its power to suppress such popular expressions of ill will. The Subsecretary informs me that the police have orders to arrest anyone using disrespectful language toward the United States at the demonstration planned for the arrival of the Japanese Minister.

NELSON O'SHAUGHNESSY.

File No. 812.002/31.

The Secretary of State to the American Chargé d'Affaires.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, July 18, 1913—6 p. m.

293. With regard to the transaction of business with the Foreign Office you will find the Department's views set forth in its No. 277, July 10, 5 p. m.

Ambassador's 318, July 11, noon. Department does not understand that attending the reception of Mr. de la Barra's successor would be in any wise different or commit this Government to anything more than attending the reception of Mr. de la Barra. You are accordingly left to use your discretion as to the course it would be best to pursue.

BRYAN.

File No. 812.00/8084.

The American Chargé d'Affaires to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN EMBASSY,
Mexico, July 19, 1913—8 p. m.

344. The Japanese Chargé d'Affaires formally called on me today and informed me that he had written a note to the Mexican Government stating that while the Japanese Government appreciated the courtesy to be extended to its Minister on his arrival it would nevertheless regret very much if that occasion should be taken to make a pro-Japanese and anti-American demonstration. I have shown the Foreign Office how inadvisable it would be for the Mexican Government to countenance anti-American demonstrations.

NELSON O'SHAUGHNESSY.

File No. 812.00/8113.

AMERICAN EMBASSY,
Mexico, July 22, 1913—9 p. m.

354. I did not attend the demonstration in honor of the Japanese Minister today, as I feared it would be made the occasion of an anti-American demonstration. One speech of a rather anti-American nature was made, but with this exception no anti-American expression was allowed although the demonstration was meant as one against the United States rather than as a greeting to the new Japanese Minister. The police had strict orders to immediately suppress any anti-American expression.

NELSON O'SHAUGHNESSY.

File No. 812.00/8211.

The American Chargé d'Affaires to the Secretary of State.

No. 2015.] AMERICAN EMBASSY,
Mexico, July 22, 1913.

SIR: Referring to the Embassy's despatch No. 2007 of July 15, 1913, I have the honor to transmit herewith a translation of the reply to the note addressed to the Subsecretary for Foreign Affairs regarding anti-American demonstrations in this capital.

I have [etc.]

NELSON O'SHAUGHNESSY.

[Inclosure—Translation.]

The Subsecretary for Foreign Affairs to the American Ambassador.

FOREIGN OFFICE,
Mexico City, July 15, 1913.

MR. AMBASSADOR: In note No. 6243, dated the 12th instant, your excellency states that you have noted [etc. to the end of the note].

It is a matter of much regret to me, as it is to your excellency, to refer to the manifestations of ill will on the part of a certain group and of various journals of the capital against the Government of the United States; but I can not but call your excellency's attention to the fact that such manifestations, in so far as the majority of the newspapers and the greater masses of the people are concerned, especially the youth of the schools and the working classes, are not directed against the American nation and much less against the Americans residing in this capital, which facts perhaps have not reached your excellency's knowledge in all the extent of the truth, because of the natural excitement of your informants.

Your excellency states that the Americans who live in Mexico, whose supposed dangers have given rise to the representations I have the honor to reply to, are in perfect sympathy with the mass of the demonstrators. This very thing indicates to what extent their demonstrations will go, and I can without the least doubt assure your excellency that if the Americans have enjoyed in Mexico the fullest protection [sic], the same has not been the exclusive result of the vigilance of the Government, but also of the spirit of justice which moves the whole country, even at a time of excitement produced by the acts to which your excellency refers and which I am sure would not have caused the excitement of passions, such as we see, if certain representations had been attended to in time when made by the Government of Mexico in the most friendly way and with the desire to present before public opinion in this country the satisfactory results of its diplomatic action near the American Government in order to calm all kinds of animosity.

Your excellency may be sure, as there are many proofs in support of it, that the Mexican Government spontaneously will at all times prevent the overflowing of popular sentiment against the citizens or representatives of a friendly nation, whatever may be the diplomatic relations with the foreign Government to which they may belong, and your excellency may also feel certain that my Government will do nothing that will excite public opinion by giving out events which should remain a secret in the Chancelleries or by presenting others in an adulterated form.

I can not refrain from mentioning and examining the latest events, in order to make it completely clear as regards the reference made in your excellency's note.

The case of the Mexican flag insulted in Tucson was not published by the Mexican Government but on the contrary the statements of the Department of Foreign Relations very eloquently show the desire to appease public opinion, notwithstanding that it has been necessary, as your excellency knows, to resort to all the means of persuasion in order not fully to show the lack of an active and energetic desire on the part of the United States to satisfy the just demands of the Mexican Government.

With reference to the case of Consul Johnson I shall say only that the events having occurred about the middle of June and the details of the same having been published since then with regard to the attempt to have the military band held at Brownsville pass into the ranks of the rebels, as suggested by by the above Consul, it has not been the Mexican Government which has published the matter in the press and it is not to blame if its efforts have been without a satisfactory reply to this day. To withdraw the exequatur of the above Consul, though perfectly justifiable, would have meant to deprive the Government of the United States of the occasion it had to show its spirit of impartiality and its good will toward this country and it would have tended to exasperate the people.

In the case of the conduct of the Commander of the S. S. *Pittsburg* some representations have been made to the Government of the United States, not precisely with reference to the direction given to the rays of the searchlight at the time of the fight between Government and rebel forces, but in

regard to certain maneuvering of a suspicious character which might not indicate complicity, but a sign of the sympathy which, according to evidence generally obtained by the Embassy, exists between American residents of Sonora and the rebels operating in that state. On the other hand, the acts executed by the Commander of the *Pittsburg* were so public that no official declaration was needed to have them become the property of the press.

As your excellency may see, the whole of this affair is not a matter of fictitious doings to excite public opinion, but of a status of deep excitement, the cause of which is well known to your excellency, which you implicitly recognize when you say that the impartial and just American colony resident of this city is in close sympathy with the views of the demonstrators to whom you refer.

It is not my intention to defend the press which maliciously tends to create disturbance, which it preserves by means of false reports and inflammatory statements; but if such were the theme of this note there is no doubt that the Mexican press would be the less guilty in view of the amount and intensity of the insults, slander and offenses of all kinds which, as your excellency knows, the press of the United States has been publishing during the past three years against men and groups of parties in my country and even against the whole nation, encouraged sometimes by the opinion of persons of political influence in the United States and on no few occasions by correspondents who live among us and who claim to be eye-witnesses of acts of their own invention or fancy, thus contributing to the torrent of misguided opinion of which your excellency has been one of the victims.

I will not make a comparison between the privileges and advantages enjoyed Mexican and American emigrants, as from such a comparison your excellency's compatriots would surely not be at a disadvantage. Your excellency's indications will always be carefully attended to, as in the past, without taking into consideration the equal treatment received by our nationals in the United States; because even though in many cases they may be treated differently on account of their origin or position, to do likewise would not be the means of remedying a deplorable condition, but rather of causing a lowering of the level of Mexico's obligations to protect all foreigners residing within its territory.

I renew [etc.]

CARLOS PEREYRA.

File No. 812.00/8122.

The American Consul at Ciudad Juárez to the Secretary of State.

[Telegram—Extract.]

AMERICAN CONSULATE,
Ciudad Juárez, July 23, 1913.

The Constitutionalists under Pancho Villa on the west and Toribio Ortega on the east are holding their positions waiting reenforcements from Sonora for the attack on Juárez, which is still isolated and is the only spot held by the Federals in the district. The Americans in Chihuahua are less than one-third the original number, and there are very few families. American enterprise is correspondingly reduced, and the interest in Mexican affairs is greatly diminished during the past few months.

EDWARDS.

File No. 812.00/8313.

The American Chargé d'Affaires to the Secretary of State.

No. 2017.] AMERICAN EMBASSY,
Mexico, July 26, 1913.

SIR: I have the honor to transmit herewith for the Department's information the original and translation of a communication left at

this Embassy on July 22nd. The communication in question is signed by Emiliano Zapata, the head of the predatory revolution in Morelos, and by all the leaders of that revolution. I am informed by people who should know that these signatures are all authentic.

I have [etc.]

NELSON O'SHAUGHNESSY.

[Inclosure—Extract—Translation.]

AN OFFICIAL NOTE OF GRATITUDE FROM THE REBELS IN THE SOUTH AND CENTER OF THE REPUBLIC OF MEXICO TO THE GOVERNMENT OF THE UNITED STATES.

The Revolutionary Junta of the South and Center of the Republic of Mexico invites briefly the attention of the Embassy to its sentiments of gratitude and marked admiration, on account of the following:

The Revolution in the South and Center of the Republic is pursuing, with tenacity and constancy, the realization of the principles contained in the Plan of Ayala.

Therefore it is natural that we should be watchful of everything which in any way might affect the maintenance of our Creed, whether for our welfare or ruin.

We refer to events emanating from the White House in Washington, of great significance in favor of our country and therefore all we could desire in behalf of our revolutionary cause.

The national press has published the news that the Government of the White House will not recognize the Pseudo-Government of General Victoriano Huerta, because he has been unable to restore peace in Mexico.

Reason, judgment, political expediency and everything pertinent are on the side of the Government of the United States when proceeding as it has in the matter, because General Victoriano Huerta never will carry into realization the cherished ideal of peace on our soil.

The Revolutionary Junta, cognizant of what it means, economically as well as politically, that the Government of the United States should not have recognized the false Government of Huerta, we pray the Embassy under your excellency's worthy charge to convey to the Government and people of the United States our sincere gratitude, assuring the United States that our statements bear the approval of the whole nation.

We renew to your excellency [etc.]

EMILIANO ZAPATA, *General in Chief of the Army of the South and Center of the Republic.*

GENERALS OTILIO E. MONTANO, EUFEMIO ZAPATA, FELIPE NERI, GENOVEVO DE LA O, FRANCISCO V. PACHECO, FRANCISCO MENDOZA, AMADOR SALAZAR, MUCIO BRAVO, BONIFACIO GARCÍA; COLONEL CAMILO DUARTE; LT. COLONEL TRINIDAD A. PANIAGUA; ENGINEER ANGEL BARRIOS; SECRETARY M. PALAFOX.

REVOLUTIONARY CAMP,
Morelos, June 8, 1913.

File No. 812.00/8661a.

The Secretary of State to the American Chargé d'Affaires.

[Telegram.]

DEPARTMENT OF STATE,
Washington, August 4, 1913—9 p. m.

The Department issued the following statements today:

The resignation of Ambassador Wilson has been accepted to take effect October 14. The part which he felt it his duty to take in the earlier stages of the recent revolution in Mexico would make it difficult for him to represent the views of the present administration in view of the situation which now exists.

Ex-Governor John Lind, of Minnesota, has been sent to Mexico, as the personal representative of the President, to act as adviser of the Embassy in the present situation. When the President is ready to communicate with the Mexican authorities as to the restoration of peace he will make public his views.

BRYAN.

File No. 812.00/8241.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, August 5, 1913—9 p. m.

387. Department's August 4, 9 p. m. The afternoon papers take no notice of the Department's statement. The morning papers print garbled versions of it. They made no special impression. As I assume that the Department desires this statement published in Mexico, I have given copies to the principal papers, which will probably print it tomorrow morning. The Minister for Foreign Affairs told me today that he had no opinion to express as to the mission of Mr. Lind. I am surprised that his coming has not excited more comment.

Several correspondents of American papers have received telegrams from their home offices stating that Mr. Lind is coming to suggest peace terms and also to insist on the resignation of General Huerta as a sine qua non. I am informed that tomorrow's papers will have a statement to this effect. I therefore request the Department immediately to give me authority to deny the part of the statement referring to the resignation of Huerta, as one of the correspondents informs me that the Governor of the Federal District told him that if it is true he does not see how he could prevent the crowd from mobbing Mr. Lind at the station; I fear that such notices in the press would both thwart Mr. Lind's mission and damage Americans in certain parts of Mexico.

NELSON O'SHAUGHNESSY.

File No. 812.00/8241.

The Secretary of State to the American Chargé d'Affaires.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, August 6, 1913—2 p. m.

333. Your August 5, 9 p. m. Governor Lind goes on a mission of peace and the President feels sure his presence in Mexico will contribute toward a satisfactory settlement of difficulties. The Mexican Government should await the President's communication and not give weight to misrepresentations of sensational newspapers.

You may make the foregoing statement to the Minister for Foreign Affairs.

BRYAN.

File No. 812.00/8255.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, August 6, 1913—11 p. m.

397. Today I delivered to the Minister for Foreign Affairs the contents of Department's August 6, 2 p. m. The President was there and it was translated to him. As far as I could judge it made a favorable impression. The Minister for Foreign Affairs informed me, indeed, that he was pleased therewith.

NELSON O'SHAUGHNESSY.

File No. 812.00/8573.

The American Chargé d'Affaires to the Secretary of State.

No. 2033.] AMERICAN EMBASSY,
Mexico City, August 7, 1913.

SIR: I have the honor to transmit, herewith, for the files of the Department, a copy of the original and translation of the note addressed to this Embassy relative to the mission of Mr. John Lind to Mexico.

I have [etc.] NELSON O'SHAUGHNESSY.

[Inclosure—Translation.]

The Acting Minister for Foreign Affairs of Mexico to the American Chargé d'Affaires.

FOREIGN OFFICE,
Mexico, August 6, 1913.

MR. CHARGÉ D'AFFAIRES: By order of the President of the Republic, and as Acting Secretary for Foreign Affairs, I have the honor to inform you that if Mr. John Lind, who, according to the information in the possession of the Mexican Government, will soon arrive in this capital as an envoy of His Excellency the President of the United States, does not properly establish his official character, or if he is not the bearer of the recognition of this Government by yours, his sojourn in this Republic will not be pleasing

GARZA ALDAPE.

File No. 812.00/8271b.

The Secretary of State to certain Diplomatic Officers of the United States.[1]

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, August 8, 1913—7 p. m.

This Department has given out the following statement to the press. You will communicate it to the Foreign Office so that Lind's status may be known:

The statement of the Mexican Foreign Office was based on newspaper misrepresentations for which this Government is not responsible. In sending Gov-

[1] This telegram was sent to the missions in Argentina, Austria-Hungary, Belgium, Bolivia, Brazil, Chile, China, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, France, Germany, Great Britain, Guatemala, Honduras, Italy, Japan, Netherlands, Nicaragua, Norway, Panama, Peru, Portugal, Russia, Salvador, Spain, Sweden, Uruguay and Venezuela.

ernor Lind as adviser to the Embassy the President is entirely within his rights, and this Department will not assume that his going will be regarded as unfriendly when the character of his mission is understood.

W. J. BRYAN.

File No. 812.00/8479.

The Governor of Sonora to the Secretary of State.

[Telegram.]

NOGALES, *August 20, 1913.*

It is impossible to reach any agreement between the military dictatorship of Huerta, fruit of treason and crime, and the just aspirations of the good Mexican people. War will continue until the downfall of Huerta is consummated. If the American Government will waive the embargo on arms and ammunition the Mexican people will end the war within a very short time and peace shall be solidly implanted in the Mexican Republic. The State of Sonora, of which I am Constitutional Governor, has succeeded in sweeping away from its territory Huerta's troops that occupy only the port of Guaymas, which is besieged by our troops. Throughout the entire State is peace and the legal authorities are in office, as your excellency can prove by the testimony of the United States [omission] in Sonora. As Governor of Sonora I beg leave to suggest to your excellency that the waiving of the embargo on arms and ammunition would abbreviate the civil war and produce, with the triumph of the Mexican people, peace in the Republic. In all the Mexican States there are numerous troops in arms against Huerta and we all recognize the Supreme Chief, Señor Venustiano Carranza, the patriotic Governor of Coahuila. We have confidence in the spirit of rectitude that characterizes President Wilson and the honorable Secretary of State.

JOSÉ M. MAYTORENA.

File No. 812.00/8614a.

The Secretary of State to the American Chargé d'Affaires.

[Telegram.]

DEPARTMENT OF STATE,
Washington, August 27, 1913—10 p. m.

Following is the full text of the President's message delivered to Congress to-day:

ADDRESS OF THE PRESIDENT DELIVERED AT A JOINT SESSION OF THE TWO HOUSES OF CONGRESS AUGUST 27, 1913, EMBODYING THE PRESIDENT'S INSTRUCTIONS TO MR. LIND, AND ACCOMPANIED BY THE REPLY OF THE MEXICAN FOREIGN OFFICE TO THE PROPOSALS MADE THROUGH MR. LIND.

GENTLEMEN OF THE CONGRESS:

It is clearly my duty to lay before you, very fully and without reservation, the facts concerning our present relations with the Republic of Mexico. The deplorable posture of affairs in Mexico I need not describe, but I deem it my duty to speak very frankly of what this Government has done and should seek to do in fulfillment of its obligation to Mexico herself, as a friend and neighbor, and to American citizens whose lives and vital interests are daily affected by the distressing conditions which now obtain beyond our southern border.

Those conditions touch us very nearly. Not merely because they lie at our very doors. That of course makes us more vividly and more constantly conscious of them, and every instinct of neighborly interest and sympathy is aroused and quickened by them; but that is only one element in the determination of our duty. We are glad to call ourselves the friends of Mexico, and we shall, I hope, have many an occasion, in happier times as well as in these days of trouble and confusion, to show that our friendship is genuine and disinterested, capable of sacrifice and every generous manifestation. The peace, prosperity and contentment of Mexico mean more, much more, to us than merely an enlarged field for our commerce and enterprise. They mean an enlargement of the field of self-government and the realization of the hopes and rights of a nation with whose best aspirations, so long suppressed and disappointed, we deeply sympathize. We shall yet prove to the Mexican people that we know how to serve them without first thinking how we shall serve ourselves.

But we are not the only friends of Mexico. The whole world desires her peace and progress; and the whole world is interested as never before. Mexico lies at last where all the world looks on. Central America is about to be touched by the great routes of the world's trade and intercourse running free from ocean to ocean at the Isthmus. The future has much in store for Mexico, as for all the States of Central America; but the best gifts can come to her only if she be ready and free to receive them and to enjoy them honorably. America in particular—America north and south and upon both continents—waits upon the development of Mexico; and that development can be sound and lasting only if it be the product of a genuine freedom, a just and ordered government founded upon law. Only so can it be peaceful or fruitful of the benefits of peace. Mexico has a great and enviable future before her, if only she choose and attain the paths of honest constitutional government.

The present circumstances of the Republic, I deeply regret to say, do not seem to promise even the foundations of such a peace. We have waited many months, months full of peril and anxiety, for the conditions there to improve, and they have not improved. They have grown worse, rather. The territory in some sort controlled by the provisional authorities at Mexico City has grown smaller, not larger. The prospect of the pacification of the country, even by arms, has seemed to grow more and more remote; and its pacification by the authorities at the capital is evidently impossible by any other means than force. Difficulties more and more entangle those who claim to constitute the legitimate government of the Republic. They have not made good their claim in fact. Their successes in the field have proved only temporary. War and disorder, devastation and confusion, seem to threaten to become the settled fortune of the distracted country. As friends we could wait no longer for a solution which every week seemed further away. It was our duty at least to volunteer our good offices—to offer to assist, if we might, in effecting some arrangement which would bring relief and peace and set up a universally acknowledged political authority there.

Accordingly, I took the liberty of sending the Honorable John Lind, formerly Governor of Minnesota, as my personal spokesman and representative, to the City of Mexico, with the following instructions:

"Press very earnestly upon the attention of those who are now exercising authority or wielding influence in Mexico the following considerations and advice:

"The Government of the United States does not feel at liberty any longer to stand inactively by while it becomes daily more and more evident that no real progress is being made towards the establishment of a government at the City of Mexico which the country will obey and respect.

"The Government of the United States does not stand in the same case with the other great Governments of the world in respect of what is happening or what is likely to happen in Mexico. We offer our good offices, not only because of our genuine desire to play the part of a friend, but also because we are expected by the powers of the world to act as Mexico's nearest friend.

"We wish to act in these circumstances in the spirit of the most earnest and disinterested friendship. It is our purpose in whatever we do or propose in this perplexing and distressing situation not only to pay the most scrupulous regard to the sovereignty and independence of Mexico—that we take as a matter of course to which we are bound by every obligation of right and honor—but also to give every possible evidence that we act in the interest of Mexico

alone, and not in the interest of any person or body of persons who may have personal or property claims in Mexico which they may feel that they have the right to press. We are seeking to counsel Mexico for her own good and in the interest of her own peace, and not for any other purpose whatever. The Government of the United States would deem itself discredited if it had any selfish or ulterior purpose in transactions where the peace, happiness and prosperity of a whole people are involved. It is acting as its friendship for Mexico, not as any selfish interest, dictates.

"The present situation in Mexico is incompatible with the fulfillment of international obligations on the part of Mexico, with the civilized development of Mexico herself, and with the maintenance of tolerable political and economic conditions in Central America. It is upon no common occasion, therefore, that the United States offers her counsel and assistance. All America cries out for a settlement.

"A satisfactory settlement seems to us to be conditioned on—

"(*a*) An immediate cessation of fighting throughout Mexico, a definite armistice solemnly entered into and scrupulously observed;

"(*b*) Security given for an early and free election in which all will agree to take part;

"(*c*) The consent of General Huerta to bind himself not to be a candidate for election as President of the Republic at this election; and

"(*d*) The agreement of all parties to abide by the results of the election and cooperate in the most loyal way in organizing and supporting the new administration.

"The Government of the United States will be glad to play any part in this settlement or in its carrying out which it can play honorably and consistently with international right. It pledges itself to recognize and in every way possible and proper to assist the administration chosen and set up in Mexico in the way and on the conditions suggested.

"Taking all the existing conditions into consideration, the Government of the United States can conceive of no reasons sufficient to justify those who are now attempting to shape the policy or exercise the authority of Mexico in declining the offices of friendship thus offered. Can Mexico give the civilized world a satisfactory reason for rejecting our good offices? If Mexico can suggest any better way in which to show our friendship, serve the people of Mexico, and meet our international obligations, we are more than willing to consider the suggestion."

Mr. Lind executed his delicate and difficult mission with singular tact, firmness and good judgment, and made clear to the authorities at the City of Mexico not only the purpose of his visit but also the spirit in which it had been undertaken. But the proposals he submitted were rejected, in a note the full text of which I take the liberty of laying before you.

I am led to believe that they were rejected partly because the authorities at Mexico City had been grossly misinformed and misled upon two points. They did not realize the spirit of the American people in this matter, their earnest friendliness and yet sober determination that some just solution be found for the Mexican difficulties; and they did not believe that the present administration spoke, through Mr. Lind, for the people of the United States. The effect of this unfortunate misunderstanding on their part is to leave them singularly isolated and without friends who can effectually aid them. So long as the misunderstanding continues we can only await the time of their awakening to a realization of the actual facts. We can not thrust our good offices upon them. The situation must be given a little more time to work itself out in the new circumstances; and I believe that only a little while will be necessary. For the circumstances are new. The rejection of our friendship makes them new and will inevitably bring its own alterations in the whole aspect of affairs. The actual situation of the authorities at Mexico City will presently be revealed.

Meanwhile, what is it our duty to do? Clearly, everything that we do must be rooted in patience and done with calm and disinterested deliberation. Impatience on our part would be childish, and would be fraught with every risk of wrong and folly. We can afford to exercise the self-restraint of a really great nation which realizes its own strength and scorns to misuse it. It was our duty to offer our active assistance. It is now our duty to show what true neutrality will do to enable the people of Mexico to set their affairs in order again and wait for a further opportunity to offer our friendly counsels. The door is

not closed against the resumption, either upon the initiative of Mexico or upon our own, of the effort to bring order out of the confusion by friendly cooperative action, should fortunate occasion offer.

While we wait, the contest of the rival forces will undoubtedly for a little while be sharper than ever, just because it will be plain that an end must be made of the existing situation, and that very promptly; and with the increased activity of the contending factions will come, it is to be feared, increased danger to the noncombatants in Mexico as well as to those actually in the field of battle. The position of outsiders is always particularly trying and full of hazard where there is civil strife and a whole country is upset. We should earnestly urge all Americans to leave Mexico at once, and should assist them to get away in every way possible—not because we would mean to slacken in the least our efforts to safeguard their lives and their interests, but because it is imperative that they should take no unnecessary risks when it is physically possible for them to leave the country. We should let everyone who assumes to exercise authority in any part of Mexico know in the most unequivocal way that we shall vigilantly watch the fortunes of those Americans who can not get away, and shall hold those responsible for their sufferings and losses to a definite reckoning. That can be and will be made plain beyond the possibility of a misunderstanding.

For the rest, I deem it my duty to exercise the authority conferred upon me by the law of March 14, 1912, to see to it that neither side to the struggle now going on in Mexico receive any assistance from this side of the border. I shall follow the best practice of nations in the matter of neutrality by forbidding the exportation of arms or munitions of war of any kind from the United States to any part of the Republic of Mexico—a policy suggested by several interesting precedents and certainly dictated by many manifest considerations of practical expediency. We can not in the circumstances be the partisans of either party to the contest that now distracts Mexico, or constitute ourselves the virtual umpire between them.

I am happy to say that several of the great Governments of the world have given this Government their generous moral support in urging upon the provisional authorities at the City of Mexico the acceptance of our proffered good offices in the spirit in which they were made. We have not acted in this matter under the ordinary principles of international obligation. All the world expects us in such circumstances to act as Mexico's nearest friend and intimate adviser. This is our immemorial relation towards her. There is nowhere any serious question that we have the moral right in the case or that we are acting in the interest of a fair settlement and of good government, not for the promotion of some selfish interest of our own. If further motive were necessary than our own good will towards a sister Republic and our own deep concern to see peace and order prevail in Central America, this consent of mankind to what we are attempting, this attitude of the great nations of the world towards what we may attempt in dealing with this distressed people at our doors, should make us feel the more solemnly bound to go to the utmost length of patience and forbearance in this painful and anxious business. The steady pressure of moral force will before many days break the barriers of pride and prejudice down, and we shall triumph as Mexico's friends sooner than we could triumph as her enemies—and how much more handsomely, with how much higher and finer satisfactions of conscience and of honor!

REPLY OF THE SECRETARY OF FOREIGN AFFAIRS, SEÑOR GAMBOA, TO THE PROPOSALS OF THE AMERICAN GOVERNMENT CONVEYED THROUGH THE HONORABLE JOHN LIND.

[Laid before Congress by the President on the occasion of his address above printed.]

File No. 812.00/10637.

FOREIGN OFFICE,
MEXICO, *August 16, 1913.*

SIR: On the 6th instant, pursuant to telegraphic instructions from his Government, the Chargé d'Affaires ad interim of the United States of America verbally informed Mr. Manuel Garza Aldape, then in charge of the Department of Foreign Affairs, of your expected arrival in this Republic with a mission of peace. As fortunately neither then nor today has there existed a state of war between the United States of America and the United Mexican States, my Gov-

ernment was very much surprised to learn that your mission near us should be referred to as one of peace. This brought forth the essential condition which my Government ventured to demand in its unnumbered note of the 6th instant addressed to the aforesaid Chargé d'Affaires—"that if you do not see fit to properly establish your official character" your sojourn could not be pleasing to us according to the meaning which diplomatic usage gives to this word.

Fortunately, from the first interview I had the pleasure to have with you, your character as confidential agent of your Government was fully established, inasmuch as the letter you had the kindness to show me, though impersonally addressed, was signed by the President of the United States, for whom we entertain the highest respect. It is not essential at this time, Mr. Confidential Agent, that I should recall the whole of our first conversation. I will say, however, that I found you to be a well-informed man and animated by the sincerest wishes that the unfortunate tension of the present relations between your Government and mine should reach a prompt and satisfactory solution.

During our second interview, which, like the first one of the 14th instant, was held at my private [1], you saw fit, after every earnest, honest and frank exchange of opinion concerning the attitudes of our respective Governments, which did not lead us to any decision, to deliver to me the note containing the instructions, also signed by the President of the United States. Duly authorized by the President of the Republic, pursuant to the unanimous approval of the Cabinet, which was convened for the purpose, I have the honor to make a detailed reply to such instructions.

The Government of Mexico has paid due attention to the advice and considerations expressed by the Government of the United States; has done this for three principal reasons: First, because, as stated before, Mexico entertains the highest respect for the personality of His Excellency Woodrow Wilson; second, because certain European and American Governments, with which Mexico cultivates the closest relations of international amity, have in a most delicate, respectful way, highly gratifying to us, made use of their good offices to the end that Mexico should accord you a hearing, inasmuch as you were the bearer of a private mission from the President of the United States; and, third, because Mexico was anxious, not so much to justify its attitude before the inhabitants of the Republic in the present emergency, the great majority of whom in imposing and orderly manifestations have signified their adhesion and approval, as to demonstrate in every way the justice of its cause.

The imputation contained in the first paragraph of your instructions—that no progress has been made toward establishing in the capital of Mexico a government enjoying the respect and obedience of the Mexican people—is unfounded. In contradiction of that gross imputation, which is not supported by any proofs, principally because there are none, it affords me pleasure to refer, Mr. Confidential Agent, to the following facts which abound in evidence and which to a certain extent must be known to you by direct observation. The Mexican Republic, Mr. Confidential Agent, is formed of 27 States, 3 Territories, and 1 Federal District, in which the supreme power of the Republic has its seat. Of these 27 States, 18 of them, the 3 Territories and the Federal District (making a total of 22 political entities) are under the absolute control of the present Government, which, aside from the above, exercises its authority over almost every port in the Republic and consequently over the customhouses therein established. Its southern frontier is open and at peace. Moreover, my Government has an army of 80,000 men in the field with no other purpose than to insure complete peace in the Republic, the only national aspiration and solemn promise of the present Provisional President. The above is sufficient to exclude any doubt that my Government is worthy of the respect and obedience of the Mexican people, because the latter's consideration has been gained at the cost of the greatest sacrifice and in spite of the most evil influences.

My Government fails to understand what the Government of the United States of America means by saying that it does not find itself in the same case with reference to the other nations of the earth concerning what is happening and is likely to happen in Mexico. The conditions of Mexico at the present time are unfortunately neither doubtful nor secret; it is afflicted with an internal strife which has been raging almost three years, and which I can only classify in these lines as a fundamental mistake. With reference to what might happen

[1] Omission.

in Mexico neither you, Mr. Confidential Agent, nor I, nor anyone else can prognosticate, because no assertion is possible on incidents which have not occurred. On the other hand, my Government greatly appreciates the good offices tendered to it by the Government of the United States of America in the present circumstances; it recognizes that they are inspired by the noble desire to act as a friend as well as by the wishes of all the other Governments which expect the United States to act as Mexico's nearest friend. But if such good offices are to be of the character of those now tendered to us we should have to decline them in the most categorical and definite manner.

Inasmuch as the Government of the United States is willing to act in the most disinterested friendship, it will be difficult for it to find a more propitious opportunity than the following: If it would only watch that no material and monetary assistance is given to rebels who find refuge, conspire, and provide themselves with arms and food on the other side of the border; if it would demand from its minor and local authorities the strictest observance of the neutrality laws, I assure you, Mr. Confidential Agent, that the complete pacification of this Republic would be accomplished within a relatively short time.

I intentionally abstain from replying to the allusion that it is the purpose of the United States of America to show the greatest respect for the sovereignty and independence of Mexico, because, Mr. Confidential Agent, there are matters which not even from the standpoint of the idea itself could be given an answer in writing.

His Excellency Mr. Wilson is laboring under a serious delusion when he declares that the present situation of Mexico is incompatible with the compliance with her international obligations, with the development of her own civilization, and with the required maintenance of certain political and economic conditions tolerable in Central America. Strongly backing that there is a mistake, because to this date no charge has been made by any foreign government accusing us of the above lack of compliance, we are punctually meeting all of our credits; we are still maintaining diplomatic missions cordially accepted in almost all the countries of the world, and we continue to be invited to all kinds of international congresses and conferences. With regard to our interior development, the following proof is sufficient, to wit, a contract has just been signed with Belgian capitalists which means to Mexico the construction of something like 5,000 kilometers of railway. In conclusion, we fail to see the evil results, which are prejudicial only to ourselves, felt in Central America by our present domestic war. In one thing I do agree with you, Mr. Confidential Agent, and it is that the whole of America is clamoring for a prompt solution of our disturbances, this being a very natural sentiment if it is borne in mind that a country which was prosperous only yesterday has been suddenly caused to suffer a great internal misfortune.

Consequently, Mexico can not for one moment take into consideration the four conditions which His Excellency Mr. Wilson has been pleased to propose through your honorable and worthy channel. I must give you the reasons for it: An immediate suspension of the struggle in Mexico, a definite armistice "solemnly entered into and scrupulously observed," is not possible, as to do this it would be necessary that there should be some one capable of proposing it without causing a profound offense to civilization, to the many bandits who, under this or that pretext, are marauding toward the south and committing the most outrageous depredations; and I know of no country in the world, the United States included, which has ever dared to enter into agreement or to propose an armistice to individuals who, perhaps on account of a physiological accident, can be found all over the world beyond the pale of the divine and human laws. Bandits, Mr. Confidential Agent, are not admitted to armistice; the first action against them is one of correction, and when this, unfortunately, fails, their lives must be severed for the sake of the biological and fundamental principle; then the useful sprouts should grow and fructify.

With reference to the rebels who style themselves "Constitutionalists," one of the representatives of whom has been given an ear by members of the United States Senate, what could there be more gratifying to us than if, convinced of the precipice to which we are being dragged by the resentment of their defeat, in a moment of reaction they were to put aside their rancor and add their strength to ours, so that all together we would undertake the great and urgent task of national reconstruction? Unfortunately they do not avail themselves of the amnesty law enacted by the Provisional Government immediately after its inauguration, but, on the contrary, well-known rebels holding elective

positions in the capital of the Republic or profitable employments left the country without molestation, notwithstanding the information which the Government had that they were going to foreign lands to work against its interests, many of whom have taken upon themselves the unfortunate task of exposing the miseries and infirmities from which we are suffering, the same as any other human aggregations.

Were we to agree with them to the armistice suggested this would, ipso facto, recognize their belligerency, and this is something which can not be done for many reasons which can not escape the perspicacity of the Government of the United States of America, which to this day, and publicly, has at least classed them as rebels just the same as we have. And it is an accepted doctrine that no armistice can be concerted with rebels.

The assurance asked of my Government that it will promptly call free elections is the most evident proof and the most unequivocal concession that the Government of the United States considers it legally and solidly constituted and that it is exercising, like all those of its class, acts of such importance as to indicate the perfect civil operation of a sovereign nation. Inasmuch as our laws already provide such assurance, there is no fear that the latter will not be observed during the coming elections; and as the present Government is of a provisional character it will cede its place to the definite Government which may be elected by the people.

The request that General Victoriano Huerta should agree not to appear as a candidate for the Presidency of the Republic in the coming elections can not be taken into consideration, because, aside from its strange and unwarranted character, there is a risk that the same might be interpreted as a matter of personal dislike. This point can be decided only by Mexican public opinion expressed at the polls.

The pledge that all parties should agree beforehand to the results of the election and to cooperate in the most loyal manner to support and organize the new administration is something to be tacitly supposed and desired; the experience of what this internal strife means to us in loss of life and the destruction of property will cause all contending political factions to abide by the results; but it would be untimely to make any assertion in this respect, even by the countries most experienced in civil matters, as no one can forecast or foresee the errors and excesses which men are likely to commit, especially under the influence of political passion.

We hasten to signify to the United States of America our appreciation of their agreement to recognize henceforth and aid the future [omission?] which we, the Mexican people, may elect to rule our destinies. On the other hand, we greatly deplore the present tension in our relations with your country, a tension which has been produced without Mexico having afforded the slightest cause therefor. The legality of the Government of General Huerta can not be disputed. Article 85 of our Political Constitution provides:

> If at the beginning of a constitutional term neither the President nor the Vice President elected present themselves, or if the election had not been held and the results thereof declared by the 1st of December, nevertheless the President whose term has expired will cease in his functions, and the Secretary for Foreign Affairs shall immediately take charge of the executive power in the capacity of Provisional President; and if there should be no Secretary for Foreign Affairs, or if he should be incapacitated, the Presidency shall devolve on one of the other secretaries pursuant to the order provided by the law establishing their number. The same procedure shall be followed when, in the case of the absolute or temporary absence of the President, the Vice President fails to appear, when on leave of absence from his post if he should be discharging his duties, and when in the course of his term the absolute absence of both functionaries should occur.

Now, then, the facts which occurred are the following: The resignation of Francisco I. Madero, Constitutional President, and José Maria Pino Suárez, Constitutional Vice President of the Republic. These resignations having been accepted, Pedro Lascurain, Minister for Foreign Affairs, took charge by operation of law of the vacant executive power, appointing, as he had the power to do, General Victoriano Huerta to the post of Minister of the Interior. As Mr. Lascurain soon afterwards resigned, and as his resignation was immediately accepted by Congress, General Victoriano Huerta took charge of the executive power, also by operation of law, with the provisional character and under the constitutional promise already complied with to issue a call for special elections. As will be seen, the point of issue is exclusively one of constitutional law in which no foreign nation, no matter how powerful and respectable it may be, should mediate in the least.

Moreover, my Government considers that at the present time the recognition of the Government of General Huerta by that of the United States of America is not concerned, inasmuch as facts which exist on their own account are not and can not be susceptible of recognition. The only thing which is being discussed is a suspension of relations as abnormal and without reason; abnormal, because the Ambassador of the United States of America, in his high diplomatic investiture and appearing as Dean of the Foreign Diplomatic Corps accredited to the Government of the Republic, congratulated General Huerta upon his elevation to the Presidency, continued to correspond with this Department by means of diplomatic notes, and on his departure left the First Secretary of the Embassy of the United States of America as Chargé d'Affaires ad interim, and the latter continues here in the free exercise of his functions; and without reason, because, I repeat, we have not given the slightest pretext.

The Confidential Agent may believe that solely because of the sincere esteem in which the people and the Government of the United States of America are held by the people and Government of Mexico, and because of the consideration which it has for all friendly nations (and especially in this case for those which have offered their good offices), my Government consented to take into consideration, and to answer as briefly as the matter permits, the representations of which you are the bearer. Otherwise, it would have rejected them immediately because of their humiliating and unusual character, hardly admissible even in a treaty of peace after a victory, inasmuch as in a like case any nation which in the least respects itself would do likewise. It is because my Government has confidence that when the justice of its cause is reconsidered with serenity and from a lofty point of view by the present President of the United States of America, whose sense of morality and uprightness are beyond question, he will withdraw from his attitude and will contribute to the renewal of still firmer bases for the relations of sincere friendship and good understanding forcibly imposed upon us throughout the centuries by our geographical nearness—something which neither of us can change, even though we so desired—by our mutual interests and by our share of activity in the common prosperity, welfare and culture, in regard to which we are pleased to acknowledge that you are enviably ahead of us.

With reference to the final part of the instructions of President Wilson, which I beg to include herewith and which say, "If Mexico can suggest any better way in which to show our friendship, serve the people of Mexico, and meet our international obligations, we are more than willing to consider the suggestion," that final part causes me to propose the following equally decorous arrangement. One, that our Ambassador be received in Washington; two, that the United States of America send us a new ambassador without previous conditions.

And all this threatening and distressing situation will have reached a happy conclusion; mention will not be made of the causes which might carry us, if the tension persists, to no one knows what incalculable extremities for two peoples who have the unavoidable obligation to continue being friends, provided, of course, that this friendship is based upon mutual respect, which is indispensable between two sovereign entities wholly equal before law and justice.

In conclusion, permit me, Mr. Confidential Agent, to reiterate to you the assurances of my perfect consideration.

F. Gamboa.

File No. 812.00/8600A.

The Secretary of State to the American Consul General at Mexico City.

[Telegram.]

Department of State,
Washington, August 27, 1913—11 p. m.

Repeat to all consulates in Mexico except Nogales, Hermosillo, Juárez, Chihuahua, Ciudad Porfirio Díaz, Laredo, Matamoros, Ensenada, and Guaymas, who are being instructed from Washington.

The following extract from the President's message delivered to Congress today announces the policy which he will pursue:

While we wait, the contest of the rival forces will undoubtedly for a little while be sharper than ever, just because it will be plain that an end must be made of the existing situation, and that very promptly; and with the increased activity of the contending factions will come, it is to be feared, increased danger to the noncombatants in Mexico as well as to those actually in the field of battle. The position of outsiders is always particularly trying and full of hazard where there is civil strife and a whole country is upset. We should earnestly urge all Americans to leave Mexico at once, and should assist them to get away in every way possible, not because we would mean to slacken in the least our efforts to safeguard their lives and their interests, but because it is imperative that they should take no unnecessary risks when it is physically possible for them to leave the country. We should let every one who assumes to exercise authority in any part of Mexico know in the most unequivocal way that we shall vigilantly watch the fortunes of those Americans who can not get away, and shall hold those responsible for their sufferings and losses to a definite reckoning. That can be and will be made plain beyond the possibility of a misunderstanding.

For the rest, I deem it my duty to exercise the authority conferred upon me by the law of March 14, 1912, to see to it that neither side to the struggle now going on in Mexico receive any assistance from this side of the border. I shall follow the best practice of nations in the matter of neutrality by forbidding the exportation of arms or munitions of war of any kind from the United States to any part of the Republic of Mexico—a policy suggested by several interesting precedents and certainly dictated by many manifest considerations of practical expediency. We can not in the circumstances be the partisans of either party to the contest that now distracts Mexico, or constitute ourselves the virtual umpire between them.

This is sent you for your information and can be shown to any Americans and other foreigners as well as to those who exercise authority in your consular district.

BRYAN.

File No. 812.00/8613a.

The Secretary of State to Certain Diplomatic Officers of the United States.[1]

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, August 28, 1913—2 p. m.

Following is the full text of the President's message[2] delivered to Congress August 27, excepting where he quotes his instructions to Mr. Lind, that having previously been sent to you. You will please express to the Minister for Foreign Affairs the President's appreciation of the friendly interest shown by the Government to which you are accredited toward the representations which it made to the Mexican Government and of the moral influence exerted by those representations toward the restoration of peace.

BRYAN.

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[1] This telegram was sent to the missions in Argentina, Austria-Hungary, Belgium, Brazil, Chile, China, Cuba, France, Germany, Great Britain, Guatemala, Honduras, Italy, Japan, Netherlands, Nicaragua, Norway, Peru, Portugal, Russia, Salvador, Spain, and Uruguay.

[2] Printed in the Department's August 27 to the Chargé d'Affaires, ante.

File No. 812.00/9424.

The American Chargé d'Affaires at Madrid to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
San Sebastian, August 29, 1913.

Department's August 28, 2 p. m. The Minister of State this evening answered my request that Spain instruct its representative in Mexico to give his moral support to the President's propositions. The note says that while the Government appreciates the action of the Department in communicating the propositions, it would have been difficult to advise Huerta to forego his presidential aspirations in view of the fact that the Spanish Government had recognized him; that as the situation had changed since receiving the propositions, the Spanish Government limits itself to the ardent wish that the understanding between the Republics may be of a character most favorable to the general interest of the two countries.

SCHOLLE.

File No. 812.00/9425.

The American Chargé d'Affaires at St. Petersburg to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
St. Petersburg, August 30, 1913—6 p. m.

As the Minister for Foreign Affairs is absent, Department's August 28, 2 p. m., was transmitted to him today by note.

An aide-mémoire from the Foreign Office received today, as follows:

The Embassy's communication on Mexican affairs has been carefully examined. Animated by the desire to contribute to establishing good relations between the Cabinets of Washington and Mexico, the Imperial Government has expressed through its representative in Mexico its desire to see the Mexican Government inspired with a large spirit of conciliation in the settlement of pending questions; but it can not, to its great regret, support in a more formal manner the proposed good offices of the United States since no request in this sense has been made by Mexico.

Especially in regard to the candidacy of General Huerta for President, the Russian Government is of the opinion that having already recognized him as Provisional President, it is impossible for it to advise him to renounce his candidacy.

[C. S.] WILSON.

The American Minister to Salvador to the Secretary of State.

No. 327.] AMERICAN LEGATION,
San Salvador, September 2, 1913.

SIR: I have the honor to report due compliance with the requirements of the Department's telegram of August 28, 2 p. m.

I respectfully inclose a copy and translation of the pleasing response of the Minister for Foreign Affairs, dated today.

I have [etc.]

WILLIAM HEIMKÉ.

[Inclosure—Translation.]

The Minister for Foreign Affairs to the American Minister.

Diplomatic Bureau.
No. 22.

MINISTRY OF FOREIGN AFFAIRS,
San Salvador, September 2, 1913.

EXCELLENCY: I have the honor to give to your excellency the most expressive thanks for sending the special message read by the President of the United States of North America to the Congress of the great American Nation on the 27th of August last, which you have been pleased to send in the desire that my Government have authentic and first-hand information of so important a document.

Your excellency adds that you have received instructions from your Government to make known to the Government of my country the appreciation of President Wilson of the friendly interest manifested by Salvador in the representations that it made to the Mexican Government for the restoration of peace.

My Government esteems as a high honor the sentiments expressed by your excellency and it appreciates fully the sentiments that Salvador was able to inspire in the President of the United States.

I avail [etc.]

FRANCISCO MARTÍNEZ S.

File No. 812.00/8867.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, September 15, 1913.

492. Following is a translation of the most salient points of the presidential message to be delivered tomorrow, the 16th. It is only for domestic consumption and does not represent the real attitude of the Government here toward the United States, which is one, in my opinion, of falling in with the suggestions of the President of the United States without admitting that it is doing so. The Department will note that Mr. Lind's mission is only casually referred to. The message side-steps all issues. I am of the opinion that it may be considered as purely perfunctory.

Gamboa told me today that he did not know of Huerta's plans but that he took it as a matter of course that the elections would take place according to law.

Besides the fratricidal strife among Mexicans, which is about to end, we have the tenseness of our diplomatic relations with the United States Government, though not with the people, which has called universal attention to us and has caused us more than one hardship and retarded the complete pacification of the country. As this is a very delicate matter and inasmuch as the status of the noninterrupted negotiations has been brought to the attention of the Permanent Commission of Congress and of the nation in general, I shall only say that the Government hopefully expects that the contention which today holds in suspense the good friendship which of old and for an indefinite future has and will bind us to our powerful and civilized neighbor will soon be settled. I will add that the congratulations of the Permanent Commission and of the Supreme Court of the nation for the attitude of the Executive in these moments of trial are its best encouragement and the unmistakable sanction that when the dignity of the nation is at stake the three powers, as the last one of the Mexicans, will stand as one man and accept any kind of sacrifice. It is to be regretted that notwithstanding our bonds of blood, language, customs, aspirations and destinies, certain nations have abstained from responding to my autograph

letter. The Executive does not know the cause and will not endeavor to ascertain it.

Several foreign vessels having been sent to Mexican waters for the protection and care of their nationals, due to the dangers arising from the present abnormal conditions of the country, the Foreign Office corresponded with foreign diplomats on the subject and as satisfactory explanations were made the Mexican Government dictated such orders as were in keeping with its laws, and as the same forbid the stay of a foreign vessel in Mexican territorial waters for more than 30 days the Senate passed a decree on April 25 last allowing the stay of such vessels during a period of six months from the above date but will not entertain the idea of a renewal of this permission. The Government, in accepting such liabilities as may arise from the present strife, but in accordance with the rules of international law, convened several diplomats accredited near it and proposed the creation of a committee made up of the leading business men and lawyers of Mexico to dispose rapidly of the claims of foreigners growing out of the abnormal conditions of the country. This committee, however, has not as yet been established, but the project for its creation will soon be sent to Congress for its deliberation.

The Executive refers to the enactment of the law of procedure concerning the elections to be held next October. The law was approved and will be put in force at the proper time.

NELSON O'SHAUGHNESSY.

File No. 812.00/8-93.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, September 17, 1913—11 p. m.

497. General Felix Díaz, who is under the orders of the Department of War and Marine, has been ordered to return to Mexico by the Minister of War.

I have seen no anti-American manifestations during the last three days and believe active anti-Americanism much exaggerated. I am received with much cordiality everywhere in spite of the strained situation.

NELSON O'SHAUGHNESSY.

File No. 812.00/9534.

The American Minister to Uruguay to the Secretary of State.

No. 472.] AMERICAN LEGATION,
Montevideo, September 19, 1913.

SIR: I have the honor to report that at the weekly reception at the Foreign Office yesterday, Doctor Barbaroux, the Minister for Foreign Relations, in expressing the hope that conditions would improve in Mexico and become permanently settled upon the foundation of justice and popular government, referred to the message delivered by President Wilson in the Congress of the United States on August 27th, 1913, and stated that President Batlle y Ordóñez had read the message in its entirety and that he was greatly impressed with its broad spirit of justice and the frank and generous character of its sentiments and purposes. The statement, evidently, was made at the request of the President.

In this connection I have the honor to enclose, in duplicate, a translation of a paragraph occurring in another London Letter to the Diario del Plata of this city.

I have [etc.]

NICOLAY A. GREVSTAD.

[Inclosure—Translation.]

From the Diario del Plata, Montevideo, September 18, 1913.

Fortunately Pan-Americanism, American solidarity, an ideal of a higher civilization, has commenced to make itself known through Mr. Wilson. In the future the Latin-American nations, so often plundered and oppressed by arbitrary tyrants, will know to whom they should appeal in their protests against unconstitutional despotism.

File No. 812.00/9069.

The American Chargé d'Affaires to the Secretary of State.

No. 2072.]

AMERICAN EMBASSY,
Mexico, September 22, 1913.

SIR: I have the honor to transmit herewith the original text and translations of the two notes sent by Mr. Gamboa to Mr. Lind, dated, respectively, the 16th [1] and 26th of August, 1913.

I have [etc.]

NELSON O'SHAUGHNESSY.

[Inclosure—Translation.]

The Secretary for Foreign Affairs to Mr. Lind.

MEXICO, *August 26, 1913.*

SIR: Yesterday I had the honor of receiving from your hands a note in which you are pleased to state that, although you had no instructions from the President of the United States of America, from the scope of your instructions you reply to the note of this Government, given to you through me on the 16th instant.

You are pleased to repeat from those same instructions the paragraph which says literally:

"We wish to act in these circumstances in the spirit of the most earnest and disinterested friendship. It is our purpose in whatever we do or propose in this perplexing and distressing situation not only to pay the most scrupulous regard to the sovereignty and independence of Mexico—that we take as a matter of course to which we are bound by every obligation of right and honor—but also to give every possible evidence that we act in the interest of Mexico alone, and not in the interest of any person or body of persons who may have personal or property claims in Mexico which they may feel that they have the right to press. We are seeking to counsel Mexico for her own good and in the interest of her own peace, and not for any other purpose whatever. The Government of the United States would deem itself discredited if it had any selfish or ulterior purpose in transactions where the peace, happiness and prosperity of a whole people are involved. It is acting as its friendship for Mexico, not as any selfish interest, dictates."

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[1] It appears, ante, appended to the telegram of August 27, 10 p. m., from the Secretary to the Chargé d'Affaires.

In spite of the fact that at the beginning of the note which I now answer you state that you lack instructions from the President of the United States of America, after the statement which I have reproduced above you state in the name of the same President that the method indicated in my note of the 16th instant, in so far as it concerns the recognition of the present Government (which I may say in passing is quite far from being a de facto Government, as you have chosen to qualify it) or—this you add—of any other future Government of Mexico, is something which only the United States of America may decide, which in the exercise of its sovereign rights in this respect will not hesitate, especially in times of serious domestic troubles, to consummate in the manner which, in the judgment of the United States of America and not in that of Mexico, may be best for this latter. You add that the President of the United States of America sincerely and ardently believes that my Government will see in the suggestions of His Excellency Mr. Woodrow Wilson the most feasible plan for serving our vital interests and for insuring the speedy reestablishment of our domestic tranquillity. And, still in the name of the President of the United States, you submit to the consideration of my Government the three following propositions:

(1) That the election called for the 16th of October of the present year [the note sent to the Foreign Office by Mr. Lind stated October 26 and not 16] shall be held in accordance with the constitutional laws of Mexico.

(2) That President Huerta, in the manner originally indicated by the President of the United States of America, give the assurances called for in paragraph "c" of the original instruction, a paragraph which says literally "The consent of General Huerta to bind himself not to be a candidate for election as President of the Republic at this election."

(3) That the remaining propositions contained in your original instruction shall be taken up later but speedily, and resolved as circumstances permit and in the spirit of their proposal.

You add, furthermore, Mr. Confidential Agent, that the President of the United States of America has authorized you to say that if my Government "acts immediately and favorably upon the foregoing suggestions," the President will express to American bankers and their associates assurances that the Government of the United States of America will then look with favor upon the extension of an immediate loan sufficient in amount to meet the temporary requirements of the present Mexican administration. At the end of your note, Mr. Confidential Agent, you express the hope of your Government that my Government will judge it consistent with the best and highest interests of Mexico immediately to accept such propositions; that they are submitted in the same spirit and to the same end as the original propositions, but in a more restricted form to the end that my Government may act within its faculties without the cooperation or aid of any other outside factor.

It appears at once, Mr. Confidential Agent, that in this case the proposal of His Excellency Mr. Woodrow Wilson is not to remove himself an iota from the position originally assumed by him, for notwithstanding the time consumed since the 16th, the date of my reply, to the 25th, in which you delivered to me your second note, which I am here answering, the essence and even the form of his original instructions are the same, with the aggravating feature well qualified by you as "more restricted."

For my part it would have been sufficient to answer this note in its totality by reproducing the whole of my note of the 16th instant as negative as it is categorical, as I have the honor to reproduce it in the present note. But the President ad interim wishes to carry his forbearance to the last point, and to the end that Mexican public opinion, which is so justly disturbed by the present tension in the diplomatic relations between the two countries, and also to the end that the various foreign Governments which have offered their good offices in the most delicate possible manner—I am glad to repeat that this has been their attitude and not less pleased to express grateful acknowledgment thereof—may be duly informed, has authorized me to reply to you in the following terms:

I will begin by taking notice of a highly significant fact: Between the night of the 14th instant, when I received the sheets containing your instructions—not directed to anyone and calling the present administration "the persons who at the present time have authority or exercise influence in Mexico"—and yesterday, some progress has been made, in that now the Constitutional President ad interim (see paragraph No. 2 of the new propositions) is called "President

Huerta," and in the whole course of the note the personnel of his administration is referred to as the "de facto Government."

But, inasmuch as this or that qualification is of no importance, upon the ground that all the representations of your Government have not been initiated except with ourselves, which gives us, upon the supposition that we have been dispossessed of it, a perfect political and moral personality to clear up the present divergence, I intentionally limit myself solely to pointing out the facts.

If your original proposals were not to be admitted, they are now, in the "more restricted" form in which they are reproduced, even more inadmissible, and one's attention is called to the fact that they are insisted upon, if it be noticed that the first proposal had already been declined. Precisely because we comprehend the immense value of the principle of sovereignty which the Government of the United States so opportunely invokes in the question of our recognition or nonrecognition—precisely for this reason we believe that it would never be proposed to us that we should forget our own sovereignty by permitting that a foreign government should modify the line of conduct which we have to follow in our public and independent life. If even once we were to admit the counsels and advice (let us call them thus) of the United States of America, not only would we, as I say above, forego our sovereignty, but we would as well compromise for an indefinite future our destinies as a sovereign entity and all the future elections for President would be submitted to the veto of any President of the United States of America. And such an enormity, Mr. Confidential Agent, no government will ever attempt to perpetrate, and this I am sure of, unless some monstrous and almost impossible cataclysm should occur in the conscience of the Mexican people.

We believed, taking into consideration the disproportionate interest that the President of the United States of America has shown concerning our internal affairs, that he as well as his Government would know perfectly well the provisions of our Constitution in the matter of elections. Unfortunately, and in view of the insistence with which His Excellency Mr. Wilson sustains his first ideas, we are compelled to acknowledge that we have made a mistake. The reform of constitutional articles Nos. 78 and 109, put into effect by the Congress of the Union on November 7, 1911, provides among other requirements that which is contained in the final part of article 78: "The Secretary of State in charge of the Executive power shall not be eligible to the office of either President or Vice President when the elections shall take place."

This transcription, which I take the liberty of making, Mr. Confidential Agent, in order that the Government of the United States of America may take due note of it, prevents the constitutional ad interim President of the Republic from being a candidate at the forthcoming elections; and if His Excellency President Wilson had taken into consideration that paragraph before venturing to impose upon us the conditions in question, and which we may not admit, the present state of affairs between you and ourselves would have been avoided, leaving out of the discussion our decorum and the personal pride of the President of the United States wrongly interested in this discussion without foundation.

It should be well understood that the ad interim President could not be elected President or Vice President of the Republic at the forthcoming elections already called for the 26th of October, because our own laws prohibit him from being a candidate, and these laws are the sole arbiters of our destinies; but never through the imposition, although friendly and disinterested, of the President of the United States of America, or of any other ruler, powerful or weak (this does not matter in the case), who would be equally respected by us.

I beg to inform you, Mr. Confidential Agent, that up to the present time, at least, only the President of the United States of America has spoken of the candidacy of the constitutional ad interim President at the forthcoming elections. Neither the solemn declarations of this high functionary nor the most insignificant of his acts—all of which have been done with a view of obtaining a complete pacification of the country, which is the supreme national aim and which he has decided to bring about in spite of everything—have authorized anyone even to suspect that such are his ultimate intentions. It is perfectly well known that there does not exist in the whole country a single newspaper, a single club, a single corporation or group of individuals who have launched his candidacy or even discussed it.

On what, then, is the gratuitous suspicion of the President of the United States of America based, and his demand, which is absolutely inadmissible, that the

ad interim President of the Republic should enter into agreements and contract obligations which have never heretofore been imposed upon the ruler of any sovereign nation?

The question having been set forth, as I have had the honor of doing in this reply, His Excellency Mr. Wilson will have to withdraw from his present attitude, at the risk that his motives—which, I take pleasure in acknowledging, are, as he himself quotes them, friendly and disinterested, altruistic and without ulterior ends—at the risk, I repeat, that they may be wrongly and differently interpreted by all the other nations, which look upon our present international conflict with more or less interest. And although the President of the United States of America should take an altogether different stand from the universal viewpoint, which considers differently an administration under the conditions in which our own is at present (the best proof of my assertion is the unconditional recognition of the foremost powers of the world, amongst which the United States of America occupies such a prominent and legitimately acquired rank), he will have to cease to call us a de facto Government and will give us the title of ad interim Constitutional Government, which is the only one to which we are rightly entitled.

Permit me, Mr. Confidential Agent, not to reply for the time being to the significant offer in which the Government of the United States of America insinuated that it will recommend to American bankers the immediate extension of a loan which will permit us, among other things, to cover the innumerable urgent expenses required by the progressive pacification of the country; for in the terms in which it is couched it appears more to be an attractive antecedent proposal to the end that, moved by petty interests, we should renounce a right which incontrovertibly upholds us. When the dignity of the nation is at stake, I believe that there are not loans enough to induce those charged by the law to maintain it to permit it to be lessened. On the other hand, I have seen with great pleasure that the President of the United States of America proposes for a later date, and, according to what the circumstances permit, the solution of what was marked with the letter "a" in the original instructions, and in the note to which this is a reply with the number 3; for this reveals that we are really in the way of arriving at an arrangement equally dignified for both sides.

In view of all this, Mr. Confidential Agent, today, more than ever, we profoundly hope for an immediate solution of the conflict which unfortunately has separated us. I would go even further: I would forego on our part that our respective ambassadors be received immediately, since for the end in view the present personnel of our reciprocal embassies is sufficient, if it remains as it has been heretofore, until the elections of October have taken place; but I will always stand on the unavoidable condition which declares that we are in reality the ad interim Constitutional Government of the Mexican Republic.

In my turn, Mr. Confidential Agent, I beg again to repeat to you the pleasing impression which you leave with me as a citizen of the United States of America, and as an able, righteous and well-intentioned personal representative of His Excellency Mr. Woodrow Wilson; I esteem in you greatly the gratitude which you say you profess for the well-deserved treatment which you have received in Mexico at the hands of the ad interim Constitutional President of the Republic, from private individuals and from myself, and I reiterate to you, as in my previous note, my perfect consideration.

F. GAMBOA.

File No. 812.00/9134.

The American Chargé d'Affaires to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN EMBASSY,
Mexico, October 8, 1913—midnight.

538. The fall of Torreón into the hands of the rebels is now generally admitted. One of the leading Carrancista deputies informed me that he believes this to be a turning point in favor of Carranza. The Government assures me that its troops, which have been successful in other parts of the north, will now concentrate in the vicin-

ity of Torreón. I do not fear trouble in Mexico City, but increased revolutionary activity in other parts may ensue. Commercial and banking circles very panicky. I have the honor respectfully to suggest that more war vessels be within reach of Mexican ports and military forces in readiness for transportation, as in an emergency a demonstration of force would be most potent in bringing Mexicans in general to a sense of political responsibility.

NELSON O'SHAUGHNESSY.

File No. 812.00/9167.

AMERICAN EMBASSY,
Mexico, October 10, 1913—10 a. m.

542. Following is translation of the text of Resolution passed today by the Chamber (Cámara) of Deputies:

(1) That a commission formed of three Deputies be appointed for the purpose of making all necessary investigations to find out where Senator Belisario Domínguez is, and that it be empowered with all the facilities which it deems necessary for the matter in hand. (2) That the Senate be invited to appoint a commission for the same object. (3) The commission of the Cámara will propose what may be necessary in view of the result of the investigation. (4) That this motion be communicated to the Executive so that he may impart whatever aid may be necessary to the commission or commissions, as the case may be, making known to him that the national representation places the lives of the Deputies and Senators under the protection of said Executive who has at his disposition the necessary elements to enfore the immunity which the Constitution authorizes to those functionaries. (5) That the Executive be informed that in case the disappearance of another Deputy or Senator occur the national representation will be obliged to celebrate its session where it may find guaranties.

NELSON O'SHAUGHNESSY.

File No. 812.00/9170.

AMERICAN EMBASSY,
Mexico, October 11, 1913—1 a. m.

542.[1] On September 23 Belisario Dominguez delivered anti-Huerta speech in the Senate.[2] Dominguez has disappeared. Common rumor reports him dead. Government denies all knowledge. Yesterday the Chamber of Deputies passed resolutions (see my October 10, 10 p. m.) This afternoon Minister of Gobernación appeared in Chamber and demanded the reconsideration of these resolutions. The president of the Chamber merely rose and adjourned the same, whereupon 110 deputies were arrested and sent to the penitentiary. President's secretary informs me that Congress is dissolved, because it has become an impediment to the establishment of peace. General Huerta yesterday told me most insistently that the elections would take place.

NELSON O'SHAUGHNESSY.

File No. 812.00/9173.

AMERICAN EMBASSY,
Mexico, October 11, 1913—noon.

545. The Minister for Foreign Affairs received the entire Diplomatic Corps this morning and informed them that government had

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[1] Same number as that of the preceding telegram.
[2] But see Mr. O'Shaughnessy's No. 2100 of Oct. 20, post, where the speech is mentioned as not delivered but only spread on the record

become impossible with the Chamber as at present constituted, and while the Government knew its act[1] in dissolving the Chamber was unconstitutional, nevertheless Mexico must be compared to a sick man who required an operation to save his life. He said elections would be held and that on November 15 the new Chamber of Deputies would assemble.

The Spanish Minister called last night and requested me to accompany him to see the Minister for Foreign Affairs in order to obtain guaranties for the lives of the arrested Congressmen. The Minister for Foreign Affairs accompanied us to the penitentiary, where we were shown a list of 84 deputies imprisoned there and given assurances by the Minister that none of them would suffer the least harm.

Huerta may now be considered an absolute military dictator.

NELSON O'SHAUGHNESSY.

File No. 812.00/9172.

AMERICAN EMBASSY,
Mexico, October 11, 1913—9 p. m.

546. General Huerta's private secretary informs me that all Deputies will be freed excepting those against whom there is conclusive evidence; violence is to be used against none. I asked him what their plans were with regard to financing the Government as it had now been stripped of all constitutionality. He replied that the Government at the present time had no plans. He said that if the country can not elect a President it can at least elect a new Chamber of Deputies.

NELSON O'SHAUGHNESSY.

File No. 812.00/11435.

AMERICAN EMBASSY,
Mexico, October 12, 1913—3 p. m.

547. About twenty-five wives and mothers of the imprisoned deputies have called at the Embassy and requested me, as Chargé d'Affaires of the United States, to use my good offices to the end that no violence be done them. In view of precedents I fear that the particular affairs may lead to some action against these men, although I have been assured to the contrary. I have the honor, in the name of humanity, to request the Department's instructions as to what extent I can make representations.

NELSON O'SHAUGHNESSY.

File No. 812.00/9178a.

The Secretary of State to the American Chargé d'Affaires.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, October 12, 1913—midnight.

See the Minister for Foreign Affairs immediately and have him communicate to Huerta the following:

Any violence done to legislators will shock the civilized world and raise serious questions with our own and other Governments.

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[1] For the text of the decree dissolving the Congress, see inclosure to Mr. O'Shaughnessy's despatch No. 2093 of October 14, post.

The United States, as a neighboring nation, could not be indifferent to the political execution of officials. Government, to be deserving of respect, must conform to established laws and usage, and these require a fair and full hearing of all charges before punishment can be legally inflicted.

BRYAN.

File No. 812.00/9181.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, October 13, 1913—10 a. m.

548. Department's October 12, midnight. General Huerta last night said that no violence whatsoever would be done to the deputies but that they must in many cases stand trial for sedition and treason. He requested me to assure my Government that they would be tried fairly by the civil courts.

NELSON O'SHAUGHNESSY.

File No. 812.00/9180a.

The Secretary of State to the American Chargé d'Affaires.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, October 13, 1913—noon.

491. Deliver immediately to the Foreign Office the following:

The President, shocked at the lawless methods employed by General Huerta and as a sincere friend of Mexico, is deeply distressed by the present situation. General Huerta's course in dissolving Congress and arresting deputies the President finds it impossible to regard otherwise than as an act of bad faith toward the United States. It is not only a violation of constitutional guaranties but it destroys all possibility of a free and fair election. The President believes that an election held at this time and under conditions as they now exist would have none of the sanctions with which the law surrounds the ballot, and that its results could therefore not be regarded as representing the will of the people. The President would not feel justified in accepting the result of such an election or in recognizing a president so chosen.

BRYAN.

File No. 812.00/9184.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, October 13, 1913—3 p. m.

549. By special decree President Huerta, in view of the dissolution of Congress, assumes the powers granted the Congress in the Departments of Gobernación, Finance and War. The judiciary power still remains with full powers so long as not in conflict with the decrees

of the Executive. The President made his intentions plain in a decree published under date of October 10 [11], as follows:

Victoriano Huerta, Constitutional President ad interim of the United Mexican States, to its inhabitants makes known that the Chamber of Deputies and Senators of the Twenty-sixth Legislature having been dissolved and inhabilitated from exercising their functions, and until the people elect new magistrates who shall take over the legislative powers, and in the belief that the Government should count on all the necessary faculties to face the situation and to reestablish the constitutional order of things in the shortest possible time, as is its purpose, since October 26 has been set as a date for elections for Deputies and Senators, has seen fit to decree that—

ARTICLE 1. The judicial power of the Federation shall continue in its functions within the limits set by the Constitution of the Republic and the decree of the Executive of October 10 of this month and such others as shall be issued by him.

ART. 2. The Executive Power of the Union conserves the powers conferred upon him by the Constitution and assumes furthermore the Departments of Gobernación, Hacienda, and War only for the time absolutely necessary for the reestablishment of the legislative power. In the meantime the Executive takes upon himself the powers granted the legislative power by the Constitution in the aforementioned Departments and will make use of them by issuing decrees which shall be observed generally and which he may deem expedient for the public welfare.

ART. 3. The Executive of the Union will render an account to the legislative power of the use which he makes of the powers which he assumes by means of this decree as soon as this is in function.

Wherefore I order that this be printed, published, and given due fulfillment. Given at the National Palace of Mexico October 11, 1913.

V. HUERTA.

The exemption from arrest which the members of Congress have enjoyed had been declared invalid by President Huerta in view of the recent dissolution of Congress. A decree to that effect was distributed last night. Text of the decree:

Victoriano Huerta, Constitutional President ad interim of the United Mexican States, to its inhabitants makes known that in view of the fact that the Chambers of Deputies and Senators of the Congress of the Union have been dissolved and inhabilitated to perform their functions, and in view of the powers which I hold in the Department of Gobernación according to the decree of October 11 of this year, I have seen fit to decree that—

Article 1. The constitutional exemption from arrest and judicial action which the citizens which formed the Twenty-sixth Congress of the Union enjoyed in view of their functions, is hereby repealed, and consequently they are subject to the jurisdiction of the tribunals corresponding to the case in the event that they are guilty of any crime or offense.

Wherefore I order that this be printed, published, and duly fulfilled. Given at the National Palace in Mexico October 11, 1913.

V. HUERTA.

NELSON O'SHAUGHNESSY.

File No. 812.00/9205.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, October 14, 1913—noon.

553. The following decree has been issued by the Chief Executive to supersede the electoral law of May 30 last. Text of the decree:

[The text of the decree here follows. In substance it provides that elections for Senators and Deputies shall be by direct vote; shall

occur at the same time and places as those for President and Vice President, namely, October 26, 1913; the voting shall be subject to the law of December 19, 1911, save for polling regulations set forth in the decree.]

NELSON O'SHAUGHNESSY.

File No. 812.00/9367.

The American Chargé d'Affaires to the Secretary of State.

No. 2093.] AMERICAN EMBASSY,
Mexico, October 14, 1913.

SIR: I have the honor to transmit herewith for the Department's information, a clipping from the Mexican Herald of October 11, 1913, in regard to the dissolution of the Mexican Congress.

I have [etc.]

NELSON O'SHAUGHNESSY.

[Inclosure—Extracts.]

The Mexican Herald, October 11, 1913.

EXECUTIVE DECREE EXPLAINS NECESSITY FOR RADICAL STEP.

[Extract from Decree of October 10.]

Victoriano Huerta, Constitutional President ad interim of the United Mexican States, to their inhabitants, know ye:

That in view of the grave and exceptional circumstances through which the nation is passing, and

Considering [etc.—a long arraignment of the Congress.]

For these reasons I have seen fit to issue the following decree:

Article 1. The Chambers of Deputies and Senators of the Twenty-sixth Congress of the Union are declared dissolved from this moment and inhabilitated to perform their functions. In consequence any acts or dispositions of said legislative body will be null and can not receive the sanction of the Executive Power of the United Mexican States.

Article 2. The Mexican people is hereby convoked to extraordinary elections for Deputies and Senators of the Congress of the Union. These elections shall take place on the 26th day of the present month, and the territorial division made for the extraordinary elections for President and Vice President of the Republic, which are to take place on the same date, will also serve for these.

[Articles 3, 4, 5 and 6 deal with the details of the election.]

Wherefore I order that this be published [etc.]

Given at the National Palace, October 10, 1913.

V. HUERTA.

PROCLAMATION TO NATION ISSUED BY PRESIDENT VICTORIANO HUERTA.

[Extract.]

MEXICANS:

One of the greatest sacrifices that I have been obliged to make is the issuance of the decree which has as its purpose the dissolution of the Legislative Power, which I always have treated with the greatest respect.

[Arraignment of the Congress.]

When I received a communication from the Chamber of Deputies[1] threatening the Executive and invading the constitutional faculties of the other Powers,

[1] In accordance with the resolutions transmitted in Mr. O'Shaughnessy's telegram of October 10, 10 a. m.

I sent the Minister of Gobernación to ask that that body reconsider its resolutions. All was in vain. The reserves of prudence and order being exhausted, I was forced to decide upon the dissolution of the Legislative Power in order that the voting public, satiated with the anguish of a long civil war, may send to the national representative body citizens whose only zeal, whose only ideal, is the reconstruction of the fatherland upon a solid foundation of public peace.

V. HUERTA.

PRESIDENT DISSOLVES CONGRESS AND CALLS FOR NEW ELECTIONS.

[Extract from news item.]

The Lower House of Congress was dissolved by force of arms yesterday afternoon, the Liberal and Renovador members being arrested and sent to the penitentiary by order of President Victoriano Huerta. Minister Garza Aldape of the Department of Gobernación, attempted to persuade the Deputies to retract their action of Thursday but failed and then ordered the arrests made.

After a committee of Senators had conferred with the President and the Upper House had been fully informed of the happenings in the associate assembly, it adjourned without date. A record of the events leading up to the dissolution was drawn up and signed by the Senators.

None of the members of the Upper House was arrested and it was stated last night that President Huerta had assured them that the Deputies under arrest would be treated with due consideration.

File No. 812.00/9220a.

The Secretary of State to certain diplomatic officers of the United States.[1]

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, October 14, 1913—7 p. m.

Telegraphic instructions have been sent to the Embassy, Mexico City, as follows:

[Telegram of October 12, midnight. Telegram of October 13, noon.]

Communicate the above-quoted telegrams to the Foreign Office in order to acquaint it with the attitude of this Government. Report such comments as may be made.

BRYAN.

File No. 812.00/9229.

The American Minister to Panama to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Panama, October 16, 1913—10 a. m.

Department's October 14, 7 p. m. President Porras cordially approves the attitude of the United States.

PRICE.

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[1] Sent to Argentina, Austria, Belgium, Brazil, Chile, China, Costa Rica, Cuba, Denmark, France, Germany, Great Britain, Guatemala, Honduras, Italy, Japan, Nicaragua, Norway, Panama, Peru, Russia, Salvador, Spain and Sweden.

File No. 812.00/9462.

The American Chargé d'Affaires at San Salvador to the Secretary of State.

[Extract.]

No. 331.] AMERICAN LEGATION,
San Salvador, October 17, 1913.

SIR: Referring to the Department's telegraphic instruction of October 14, 7 p. m., I have the honor to report that the Under Secretary of Foreign Affairs told me that his Government knew nothing officially of recent events in Mexico as the Salvadoran Minister accredited to that Republic was at present on leave in this city, and that the Government of Salvador was astonished at the high-handed actions of General Huerta. The present attitude of the Government of the United States toward Mexico, he added, met with the approval of his Government, which believed that it was for the ultimate good of the Mexican people.

I have [etc.]

THOMAS HINCKLEY.

File No. 812.00/9259.

The American Ambassador to Germany to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Berlin, October 17, 1913.

Your October 14, 7 p. m. The Acting Minister for Foreign Affairs says that Germany has no political interests in the question; that if we intervene there will be, he fears, a long and cruel war; that if we do not recognize Huerta he will fall, with resultant anarchy.

GERARD.

File No. 812.00/9256.

The American Chargé d'Affaires at St. Petersburg to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN EMBASSY,
St. Petersburg, October 17, 1913.

Your October 14, 7 p. m. I am informed by the Foreign Office that as Russia has no interests in Mexico she wishes to hold aloof as far as possible from all action and advice, but the Acting Minister promised to instruct the Minister to Mexico somewhat in keeping with the Department's telegram, though naturally Russia's representations could not be put in such strong terms; they would however urge Mexico to be inspired with a conciliatory spirit in accepting the advice offered by the United States.

WILSON.

File No. 812.00/9263.

AMERICAN EMBASSY,
St. Petersburg, October 18, 1913.

I now understand the Russian representative in Mexico will express unofficially his Government's disapproval of the latest events and advise Mexico to listen to the counsels of the United States in a conciliatory spirit, but will say nothing about the approaching elections nor the attitude of Russia toward the President chosen thereat.

WILSON.

File No. 812.00/9463.

The American Minister to Panama to the Secretary of State.

No. 8] AMERICAN LEGATION,
Panama, October 18, 1913.

SIR: Referring to the Department's telegram of October 14, 1913, 7 p. m., and amplifying the Legation's telegram of October 16, 1913, 10 a. m., in response thereto, I have the honor to report to the Department that said telegram was duly repeated as directed and that I communicated same promptly to President Porras and the Acting Secretary of Foreign Affairs. President Porras frankly and emphatically expressed his horror at the conditions in Mexico and his conviction that an election held under the circumstances now existing there would not be fair or valid or worthy of being countenanced. In answer to a question from me he stated that the Department's attitude toward Mexico, as set forth in the said telegram of the Department was undoubtedly right.

The Acting Secretary of Foreign Affairs, Señor Calvo, coincided with the expression of President Porras.

I submitted the phrase "cordially endorses" used in the Legation's telegram of October 16, 1913, 10 a. m., to President Porras before sending same, and he authorized it without hesitation.

I have [etc.]

WM. JENNINGS PRICE.

File No. 812.00/9531.

The American Minister to Norway to the Secretary of State.

No. 4.] AMERICAN LEGATION,
Christiania, October 18, 1913.

SIR: Referring to the Department's telegram of the 14th instant, I have the honor to report that I communicated the contents both orally and in a written paraphrase to the Prime Minister, Mr. Knudsen, now in charge of the Foreign Office. Mr. Knudsen made no direct comment upon the latest action of the President. His attitude, however, during the course of the interview seemed friendly and entirely in keeping with the course which Norway has pursued in lending us her moral support in our dealings with the Mexican situation.

I have [etc.]

A. G. SCHMEDEMAN.

File No. 812.00/9267.

The American Chargé d'Affaires at Guatemala to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Guatemala, October 18, 1913.

Your October 14, 7 p. m. President Estrada Cabrera believes Huerta's action to be that of an unbalanced man in desperate straits and to be suicidal. The President said he was in sympathy with the action of our Government.

WILSON.

File No. 612.003/102.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, October 20, 1913—10 p. m.

571. The Government has promulgated, under date of 18th, the following Executive order raising the tariff:

[Text of decree. It adds 50% to the duties provided in Articles 1 and 2 of the tariff law.]

This has been expected, but impression is very bad. Exchange 36.75.

NELSON O'SHAUGHNESSY.

File No. 812.00/9529.

The American Chargé d'Affaires to the Secretary of State.

No. 2100.] AMERICAN EMBASSY,
Mexico, October 20, 1913.

SIR: Referring to my telegram of October 11, 1 a. m., I have the honor to transmit to the Department herewith an English translation of a speech of Dr. Belisario Domínguez, Senator for the State of Chiapas, which was never read but made a matter of record in the Senate, the delivery of which having been ruled out by order of the President of the Senate on the 23d of September. Since the filing of the above, Senator Domínguez has not been heard of. Those opposed to the Government say that he has been murdered by Government agents; the Government itself says that they know nothing about him. As neither are to be trusted I can give no opinion.

I have [etc.] NELSON O'SHAUGHNESSY.

[Inclosure—Translation.]

Speech of Senator Belisario Domínguez made of record in the Mexican Senate but not read, being ruled out of order on September 23, 1913.

GENTLEMEN: You have all read with deep interest the message presented by Don Victoriano Huerta to the Congress of the Union on the 16th instant [Sep-

tember]. There is no doubt, gentlemen, that you as well as myself felt indignant in the face of the accumulation of falsities contained in that document. Whom does that message aim to deceive, gentlemen? The Congress of the Union? No, gentlemen; all its members are cultured persons who take an interest in politics, who are in touch with events in this country and who can not be deceived on the subject. Is it the Mexican Nation that is to be deceived? Is it this noble country which, trusting in your honesty, has placed in your hands her most sacred interests? What must the National Assembly do in this case? It must respond promptly to the trust and the confidence of the Nation which has honored this body with her representation, and it must let her know the truth and so prevent her from falling into the abyss that is opening at her feet.

The truth is this: During the reign of Don Victoriano Huerta not only has nothing been done in favor of the pacification of the country, but the present condition of the Mexican Republic is infinitely worse than ever before. The revolution is spreading everywhere. Many nations, formerly good friends of Mexico, now refuse to recognize this Government, since it is an illegal one. Our coin is depreciated, our credit in the throes of agony. The whole press of the Republic, either muzzled or shamelessly sold to the Government, systematically conceals the truth. Our fields are abandoned. Many towns have been destroyed. And, lastly, famine and misery in all their forms threaten to spread throughout our unhappy country. What is the cause of such a wretched situation?

First, and above everything else, this condition is due to the fact that the Mexican people can not submit and yield to and accept as President of the Republic the soldier who snatched the power by means of a treason and whose first act on arising to the presidency was to assassinate in the most cowardly manner the President and Vice President legally consecrated by the popular vote, and the first of which two men was he who promoted and gave position to Don Victoriano Huerta and covered him with honors, was the man to whom Victoriano Huerta publicly swore loyalty and faithfulness.

Second, this situation is the result of the means adopted by Don Victoriano Huerta and which he has been employing in order to obtain the pacification of the country. You know what these means are: nothing but extermination, death for all the men, all the families, all the towns which do not sympathize with his Government.

"Peace will be made at any cost whatever," said Don Victoriano Huerta. Have you studied, gentlemen, the terrible meaning of these words of the egotistical, ferocious man, Don Victoriano Huerta? They mean that he is ready to shed all the Mexican blood, to cover with corpses the whole surface of the national territory, to convert our country into one immense ruin, so that he may not leave the presidential chair nor shed a single drop of his own blood.

In his insane desire to keep the post of President, Victoriano Huerta is committing a new infamy. He is provoking an international conflict with the United States of America, a conflict in which, if it is to be solved by fighting, all surviving Mexicans would participate, giving stoically the last drop of their blood, giving their lives—all save Don Victoriano Huerta and Don Aureliano Blanquette, for these disgraced ones are stained with the blot of treason and the nation and the army will repudiate them when the time comes.

It seems as if our ruin is unavoidable, for Don Victoriano Huerta has taken hold of power in such a way, in order to insure the triumph of his candidacy to the presidency of the Republic in the elections to be held October 26, that he has not hesitated to violate the sovereignty of the greater part of the States, deposing the legally elected Constitutional Governors and supplanting them with military governors who will take good care to cheat the people by means of ridiculous and criminal farces.

However, gentlemen, a supreme effort might save everything. Let the National Assembly fulfill its duty and the nation is saved, and she will rise up and become greater, stronger, more beautiful than ever.

The National Assembly has the duty of deposing Don Victoriano Huerta from the Presidency. He is the one against whom our brothers up in arms in the North protest, and consequently he is the one least able to carry out the pacification which is the supreme desire of all Mexicans.

You will tell me, gentlemen, that the attempt is dangerous, for Don Victoriano Huerta is a bloodthirsty and ferocious soldier who assassinates anyone who is an obstacle to his wishes. But this should not matter, gentlemen. The

country exacts from you the fulfillment of a duty, though there is the risk—the certainty—that you will lose your lives.

If in your anxiety to see peace reign again in the Republic you made a mistake and put faith in the false words of the man who promised to pacify the Republic, today when you see clearly that this man is an imposter, a wicked inept who is fast pushing the nation toward ruin, will you, for fear of death, permit such a man to continue to wield power? Reflect, gentlemen: meditate, and reply to this query.

What would be said of those on a vessel who, during a violent storm on a treacherous sea, would appoint as pilot a butcher who had no recommendation to the post other than the fact of his having betrayed and assassinated the captain of the vessel?

Your duty is unalterable, unavoidable, gentlemen, and the nation expects of you its fulfillment.

This first duty discharged, it will be easy for the National Assembly to fulfill others derived from it, asking all revolutionary chiefs to stop all active hostilities and to appoint their delegates in order that by general accord the president be elected who is to call for presidential elections and who is to take care that these be carried out in all legality.

The world is looking on us, gentlemen, members of the National Assembly, and the nation hopes that you will honor her before the world, saving her from the shame of having as first magistrate a traitor and assassin.

(Signed) DR. B. DOMÍNGUEZ.
Senator for Chiapas.

File No. 812.00/9310.

The American Ambassador to Great Britain to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
London, October 21, 1913—4 p. m.

78. Your October 14, 7 p. m. Last night Sir Edward Grey said his Government would wait till October 26 before deciding its next step and that then he would inform me what they would do. He expressed hope that there was no truth in the newspaper rumor that the President would raise embargo on arms to the "rebels in the north."

I again explained at length the President's policy and reasons therefor, saying that if he used the power of the United States in favor of one adventurer in Mexico or any other Latin American state merely because he seemed at any given moment stronger than his opponents no progress toward stable government could ever be made and that there must be some moral foundation for our approval. I explained how we could not consider financial interests except as secondary to moral interests. I expressed my own belief that the President would never intervene for mere financial interests, however great or insistent, and that merely to restore order by force would not mean progress toward stable government by Mexicans, but would be only another name for conquest, which was abhorrent.

Sir Edward expressed sympathy with this view and remarked that the trouble with intervention was the trouble of getting out.

I reminded him that Mexico was only a part of Latin America and that the investments made there under Díaz did not change the fundamental problem.

He granted that the problem of the United States with Mexico was very different from the problem of any other Government. His direct comment was meager, but the general impression he made on

my mind very distinctly was his appreciation of the difficulties and an increasing respect for the President's policy

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File No. 812.00/9305.

The American Minister to Argentina to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Buenos Aires, October 21, 1913.

Your October 14, 7 p. m. The Acting President expresses sympathy in the difficult situation but carefully refrains from making any comment.

GARRETT.

File No. 812.00/9664.

The American Ambassador to Brazil to the Secretary of State.

No. 255.] AMERICAN EMBASSY,
Rio de Janeiro, October 22, 1913.

SIR: On the receipt of the Department's telegraphic instruction of October 14th, 7 p. m., I called upon the Minister for Foreign Affairs in order to acquaint him with the attitude of our Government on the matters to which the despatch referred. After conferring with the President, Dr. Lauro Muller renewed his assurances to me that the Government of Brazil intended to act in full accord with that of the United States.

Regarding the question whether Brazil would feel justified in accepting the result of an election held under the conditions which it appeared likely would surround the approaching election in Mexico and would not recognize the President who should be chosen as the result of that election, Dr. Muller reserved his opinion but without indicating that the judgment of the American Government would not strongly affect his own in the matter.

Subsequent to my interview with him, the Foreign Minister took occasion to discuss the Mexican situation with the Chilean Minister, to whom he said that the Government of Brazil was working harmoniously with that of the American Government and that the course which General Huerta had pursued in imprisoning the members of the Mexican Congress justified both Governments in withholding their recognition of the Huerta Government.

I have [etc.]

EDWIN V. MORGAN.

File No. 812.00/9329.

The American Chargé d'Affaires at Santiago to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Santiago, October 22, 1913.

Your October 14, 7 p. m. I am asked to say that the reply of Chile coincides exactly with that of Brazil.

HARVEY.

File No. 812.00/9318.

The American Minister to Belgium to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Brussels, October 22, 1913.

Department's October 14, 7 p. m. The Belgian Government, as a secondary and neutral power, is prevented by traditional policy from comment thereon.

MARBURG.

File No. 812.00/9311.

The American Ambassador to Italy to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Rome, October 22, 1913.

Department's October 14, 7 p. m. The Government is endeavoring to ascertain the attitude of other European powers.

NELSON PAGE.

File No. 812.00/9344.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, October 23, 1913—5 p. m.

576. General Huerta received the Diplomatic Corps today. He was accompanied by the entire Cabinet and made the following statement: That as the sole reason for his having taken the Presidency was the pacification of Mexico and that as the elections decreed by law are now about to take place, his Government must await the will of the people; that he had dissolved the Chamber because it was revolutionary and disloyal to the Federal Government, nearly 50 Deputies having joined the revolution in various parts of the Republic, and that incriminating documents had been found in the desks of a large number of Deputies who had been arrested on the dissolution of the Chamber. Coming to the elections, he said that all candidates would have equal protection by the Government; that as he had reason to fear that some of his friends would propose him as a candidate for the Presidency at the polls and would vote for him he wished to make it known that such votes would be null and void, and that even if he should receive the majority of the votes cast his election would be null and void, and that he will under no consideration accept a mandate from the people at this time; that he desired to impress upon the Diplomatic Corps that he would not consider accepting the Presidency not only because the Constitution prohibited him but also because he had given public promise to the contrary. He requested the members of the Diplo-

matic Corps very insistently to inform their Governments in the sense of the above.

After the formal statement Huerta asked me to be good enough to assure my Government of his bona fides, and that his greatest desire is to see Mexico again normal and prosperous in order that the Government of the Republic might approach the question of social betterment, which he says is at the bottom of the revolution and which is being exploited by unprincipled leaders thereof.

NELSON O'SHAUGHNESSY.

File No. 812.00/9586.

The American Ambassador to Austria-Hungary to the Secretary of State.

No. 17.] AMERICAN EMBASSY,
Vienna, October 23, 1913.

SIR: I have the honor to report that the contents of the Department's telegraphic instruction of October 14, 7:00 p. m., were duly communicated to the Austro-Hungarian Ministry for Foreign Affairs in an aide mémoire which was read and handed to the Permanent Under Secretary, and the subject discussed at length.

Baron Machio stated that, in its desire to avoid interference in the affairs of Latin American States, his Government was not inclined to probe too deeply into the methods by which their chief executives attained office and that, consequently, in the case of Mexico recognition would probably be accorded to whoever might succeed in establishing himself in power.

I have [etc.]

FREDERIC C. PENFIELD.

File No. 812.00/9564b.

The Secretary of State to certain diplomatic officers of the United States.[1]

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, October 24, 1913—6 p. m.

Inform the Foreign Office that as within a few days this Government will have certain representations to make in regard to the situation in Mexico it is requested that the Government take no action toward recognizing a government in Mexico until it has had opportunity to consider the position of this Government.

BRYAN.

File No. 812.00/9361.

The American Ambassador to Great Britain to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
London, October 24, 1913—8 p. m.

84. Department's October 24, 6 p. m. Would you favor authorizing me to ascertain whether the British Government as an act of friend-

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[1] Sent to Austria, France, Germany, Great Britain, Italy, Japan, Russia and Spain.

liness will refrain from recognizing anyone claiming to be elected President of Mexico at the elections of October 26 until our Government has had reasonable time to consider its course?

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File No. 812.00/9380.

The American Ambassador to France to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Paris, October 25, 1913.

Department's October 24, 6 p. m. Foreign Office reticent. Indications point to a concert of European Powers on the question.

HERRICK.

File No. 812.00/9390.

The American Chargé d'Affaires to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN EMBASSY,
Mexico City, October 25, 1913—9 p. m.

582. General Felix Díaz will not come to Mexico City but I believe that he is not in danger, and that his remaining at Vera Cruz is a campaign ruse.

I have in my possession an alleged private instruction from Huerta to the Governor of the State of Puebla regarding the manner in which the elections are to be held.

A large majority of the substantial and thinking people now believe that the armed intervention of the United States can alone save Mexico with the understanding that we will not remain longer than may be necessary to restore peace and have elections; also that we will not annex Mexican territory in indemnification for the costs thereof.

NELSON O'SHAUGHNESSY.

File No. 812.00/9407.

AMERICAN EMBASSY,
Mexico, October 26, 1913—10 p. m.

584. The elections in Mexico City took place without any violence. Vote cast extremely small. Public generally apathetic. Huerta, by decree dated yesterday, has increased the army to 150,000. Huerta will continue in power until such time as he and the new Congress decide to have elections. He hopes the opposition of the United States will cause Mexicans to rally around him.

NELSON O'SHAUGHNESSY.

File No. 812.00/9389.

The American Ambassador to Germany to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Berlin, October 26, 1913.

Department's telegram October 24, 6 p. m. Germany will wait as requested.

GERARD.

File No. 812.00/9416.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico City, October 27, 1913—6 p. m.

587. My October 25, 9 p. m. I believe the document in my possession is authentic. It is at any rate an expression of Huerta's electoral ideas and may be taken as a basis for action.

NELSON O'SHAUGHNESSY.

File No. 812.00/9408.

The American Ambassador to Great Britain to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
London, October 27, 1913.

Your October 24, 6 p. m. Sir Edward Grey will wait for the President's communication before taking any public step in regard thereto.

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File No. 812.00/9361.

The Secretary of State to the American Ambassador to Great Britain.

[Telegram.]

DEPARTMENT OF STATE,
Washington, October 27, 1913.

Your October 24, 8 p. m., is sufficiently covered for the present by your October 27, 2 p. m.

BRYAN.

File No. 812.00/9431.

The American Chargé d'Affaires at St. Petersburg to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
St. Petersburg, October 27, 1913.

Department's October 24, 6 p. m. As requested Russia will take no immediate action toward recognizing the Government of Mexico, but

only after consultation and agreement with other powers. The Minister for Foreign Affairs said: "I consider Mexican question as concerning only the United States. In my opinion the only satisfactory solution is annexation, and this action Russia would see with approval."

I replied that I felt authorized to state that the United States had no such intentions and that nothing was further from the views of the President.

[C. S.] WILSON.

File No. 812.00/9402.

The American Ambassador to Japan to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Tokio, October 27, 1913.

Your October 24, 6 p. m. The Minister for Foreign Affairs would like to receive as soon as possible a statement of our Government's position.

GUTHRIE.

File No. 812.00/9442.

The American Ambassador to Great Britain to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
London, October 28, 1913.

94. Your October 24, 6 p. m. Sir Edward Grey has shown me a telegram to Carden about Huerta's reported boast that he would have the backing of London, Paris and Berlin against the United States, in which Grey advised Carden that the British policy should be to keep aloof from Huerta's boasts and plans. Carden denies that Huerta made such boast in his statement to the Diplomatic Corps. Grey wishes the President to know about these telegrams.

Grey asked: In case the British Government should withdraw recognition of Huerta, what would happen? I replied: "In my own opinion he would soon collapse." Grey said: "What would happen then? Worse chaos?" I said: "That is impossible. There is no worse chaos than deputies in jail, dictatorial doubling of the tariff, suppression of opinion and practical banishment of independent men. If Huerta fell, there was hope that suppressed men and opinion would set up a successful government." He asked: "Suppose that fails, what then?" I replied that in case of continued and utter failure the United States might feel obliged to repeat its dealings with Cuba, and that continued excitement of opinion in the United States might precipitate this. Grey replied that he wished time to think the matter out and that he was glad to await the President's communication.

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File No. 812.00/9699.

The American Ambassador to Austria-Hungary to the Secretary of State.

No. 21.] AMERICAN EMBASSY,
Vienna, October 28, 1913.

SIR: I have the honor to report that the Embassy communicated without delay the contents of your telegram of the 24th instant, requesting the Austro-Hungarian Government to refrain from taking any steps toward the recognition of a Government in Mexico until they had had an opportunity to consider the position of our Government, as stated in representations which would be made to them within a few days.

The request was received in an agreeable spirit, qualified by the statement that they would probably eventually follow the lead of other European Governments in the matter.

The comparison was drawn between our position in connection with Mexico and that of the Austro-Hungarian Government and Servia, and attention was drawn to the fact that although for political and commercial reasons the new régime in Servia was promptly recognized, King Peter has never been received at the Austrian Court, as a protest against the methods through which he came into power.

I have [etc.]

FREDERIC C. PENFIELD.

File No. 812.00/9631.

The American Chargé d'Affaires to the Secretary of State.

No. 2113.] AMERICAN EMBASSY,
Mexico, October 28, 1913.

SIR: Referring to my telegrams Nos. 582 and 587, regarding the alleged private instructions sent to the Governor of Puebla regarding the elections, I have the honor to inform the Department that I have not altered my opinion expressed in telegram No. 587.

I have the honor to transmit herewith a copy of the document in question received by this Embassy as well as a translation thereof.

I have [etc.]

NELSON O'SHAUGHNESSY.

[Inclosure—Translation.]

General Huerta to the Military Governor of Puebla.

Private Instructions from the Federal Government to General Joaquín Mass, Military Governor of the State of Puebla, to the end that he may transmit the same to the Jefes Políticos of the State.

1st. If any Municipal President has entered into agreement with any of the militant political parties, his removal from office shall be discreetly sought, and in the case it should not be possible, cautious efforts shall be made to secure complete solidarity between said presidents and the Jefes Políticos.

2d. It is especially recommended that the persons in charge of the polls should be completely and absolutely reliable, so that they may follow the instructions given to them.

3d. If there should be sufficient time for it, strict orders should be given that polls for rural estates should not be established in the seat of the municipality or town, but in the estates themselves of the electoral division, this for the purpose of avoiding the attendance of those who are to take charge of the polls, the principal object being to prevent the elections in two-thirds, plus one, of the polls constituting the district. Therefore, the greatest number of polls shall be * * * To meet the provisions of the law, and conceal the above-mentioned omission, a complete list should be published giving the names of the persons who are to have charge of the polls in accordance with article 13 of the electoral law of May 31, 1913, it being understood that only the appointments corresponding to the third part or less shall be sent to the sections, among which are to be included the polls in the urban wards.

4th. In all the polls which may operate, blank tickets shall be made use of in order that the absolute majority of the votes may be cast in favor of Gral. Huerta for President, and Gral. Blanquet for Vice President.

5th. In spite of the fact that article 31 provides that the returns should be at once and directly sent to the Chamber of Deputies, the chairmen of the polls shall be instructed that the returns be sent to the Political Prefecture, which returns shall be quickly examined by the Jefe Político, and if the same are found to be in accordance with the instructions given therein, he shall return them to the chairmen, informing them that they must send them directly to the Chamber of Deputies. If upon making the examination, it should appear that the third part of the polls have not acted right, they shall fail to send the number of returns that may be necessary, to the end that the Chamber of Deputies may receive only one-third or less of the total.

6th. Political parties and citizens shall be given full freedom in the polls which may operate, allowing them to make all kinds of protests, provided they refer to votes in favor of any of the candidates appearing before the people; but care shall be taken that such protests do not refer to the votes mentioned in paragraph 4 of these instructions.

7th. If upon examining the returns the Jefes Políticos should find that the votes do not agree with the instructions, before sending them they should fix them up to the end that the note of transmission, the minutes of the election, etc., should agree with the instructions.

8th. Persons shall be chosen who will inspire absolute confidence and are well versed in the electoral law, to make a quiet and reserved inspection of the polls which may be in operation and to present before them all sorts of protests in accordance with article 30 of the electoral law, it being understood that all protests should refer to the candidates who may be in the field, but never in regard to votes mentioned in paragraph 4.

9th. After elections, they shall make a quick concentration of the polls which were in operation, and shall communicate this information to the Government, if possible, on the same day and in cipher and by special courier.

10th. Under the most strict responsibility, the Governor of a State who may receive these instructions shall comply with them, under the penalty of discharge from office and other punishment which the Federal Government may see fit to apply.

MEXICO, *October 22, 1913.*

File No. 812.00/9487.

The Secretary of State to the Secretary of the Navy.

DEPARTMENT OF STATE,
Washington, October 28, 1913.

SIR: I have the honor to acknowledge the receipt of your letter [1] of this date transmitting a copy of a telegram received by you from Admiral Fletcher, at Vera Cruz, with reference to the action of the U. S. S. *Wheeling* in taking on board General Díaz and two friends, and Williams, American correspondent of the New York Herald.

[1] Not printed.

In this connection I beg to advise that, while the rule governing such cases is that it is the duty of American men of war to protect American citizens, it is, as a general rule, against the policy of this Government to grant asylum in its ships to the citizens of foreign countries engaged in political activity, especially when such asylum is for the purpose of furthering their political plans. Temporary shelter to such persons, when they are seeking to leave their country, has sometimes been conceded on grounds of humanity, but even this is done with great circumspection lest advantage be taken of it to further the political fortunes of individuals with the result of involving us in the domestic politics of foreign countries.

In this case you will please direct the commander of the *Wheeling* to furnish Williams, the American correspondent of the New York Herald, who, we take it for granted, is not a citizen of Mexico, asylum on the American ship until he can secure passage to the United States. In the case of General Díaz and his two friends, you will give them temporary asylum until they can find a ship to take them away from Mexico, it being taken for granted that they do not desire to remain in Mexico. They will, of course, understand that while they are on an American ship they can not use it as a basis for political activity.

I have [etc.]

W. J. Bryan.

File No. 812.00/9455.

The American Ambassador to Italy to the Secretary of State.

[Telegram—Paraphrase.]

American Embassy,
Rome, October 29, 1913.

Department's October 24, 6 p. m. Italy's representatives in Mexico and at Washington are being instructed to cooperate as far as possible in furtherance of our Government's views.

Nelson Page.

File No. 812.00/9538.

The American Ambassador to France to the Secretary of State.

[Telegram—Paraphrase.]

American Embassy,
Paris, November 4, 1913.

Ex-President Porfirio Díaz denies interview stating he would return to Mexico to fight invasion. He has advised Huerta to subordinate self to country.

Herrick.

File No. 812.00/9628.

The Constitutionalist Secretary for Foreign Affairs to the Secretary of State.

[Telegram—Translation.]

NOGALES, *November 6, 1913.*

I have the honor to inform you of the appointment of Señor Roberto V. Pesqueira as Confidential Agent of the Constitutionalist Government at Washington.

FRANCISCO ESCUDERO.

File No. 812.00/9625a.

The Secretary of State to certain diplomatic officers of the United States.[1]

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, November 7, 1913—10 p. m.

While the President feels that he can not yet announce in detail his policy with regard to Mexico, nevertheless he believes that he ought, in advance thereof, to make known to the Government to which you are accredited his clear judgment that it is his immediate duty to require Huerta's retirement from the Mexican Government, and that the Government of the United States must now proceed to employ such means as may be necessary to secure this result; that, furthermore, the Government of the United States will not regard as binding upon the people of Mexico anything done by Huerta since his assumption of dictatorial powers, nor anything that may be done by the fraudulent Legislature which he is about to convoke. The President hopes that the Government to which you are accredited will see fit to use its influence to impress upon Huerta the wisdom of retiring in the interest of peace and constitutional government.

You will convey the foregoing to the Minister for Foreign Affairs.

BRYAN.

File No. 812.00/9621.

The American Ambassador to Italy to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Rome, November 8, 1913—4 p. m.

Department's October 24, 6 p. m. I have just received a note from the Government stating that Italy, being also on this occasion desirous of showing good will to the United States, proposes to ex-

[1] This telegram was sent to certain missions on the date here given, to others on November 8, 11 a. m., and on November 10, 2 p. m.

change views with our Government before adopting a definite line of action regarding the situation that might be created by the election of a permanent President of Mexico; the note adds that the Government of the United States should not ignore the circumstance that the Italian Government, since July 16, has officially recognized General Huerta as temporary President of the Mexican Republic.

NELSON PAGE.

File No. 812.00/9625.

The American Ambassador to Italy to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Rome, November 8, 1913—8 p. m.

Department's November 7, 10 p. m. Minister for Foreign Affairs states that he has the greatest confidence in the good intention of the President, and knows that the United States would protect Italian interests, but he does not see what practical action Italy can take. It would be a violation of neutrality to make public expression of sympathy with the United States, and might jeopardize the interests of Italy which are purely commercial. He added that Huerta was no worse than the others and the only person in sight apparently strong enough to restore order of some kind.

NELSON PAGE.

File No. 812.00/10437.

The American Ambassador to Great Britain to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
London, November 8, 1913—5 p. m.

Department's November 7, 10 p. m. Sir Edward Grey has asked time to answer, wishing to confer with the Prime Minister. He desires to know whether or not your telegram has been sent also to German and French Governments, as they had conferred with him concerning the President's previous request to do nothing until the President's communication should be received, and he felt bound to inform them of his next action. I said to him that the present effort was to prevent the necessity for intervention. He asked "Suppose Huerta eliminated: what then?" I answered that he might consider Huerta's elimination certain, the question now being: Shall he be eliminated with or without the moral support of the British Government? Sir Edward's last words were "It is a very grim situation."

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File No. 812.00/9620.

The American Ambassador to Germany to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Berlin, November 8, 1913.

Your November 7, 10 p. m. The Foreign Office states that Germany has no political interest in the subject but that Mexico must have order and responsible government and wishes to know what candidate for the presidency we have.

GERARD.

File No. 812.00/9632.

The American Ambassador to Brazil to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Rio de Janeiro, Nov. 9, 1913—noon.

Department's November 8, 11 p. m.[1] The Brazilian Minister to Mexico has been instructed by telegraph as you suggest.

MORGAN.

File No. 812.00/9676.

The American Minister to Norway to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Christiania, Nov. 10, 1913—2 p. m.

Department's November 7, 10 p. m. The Minister to Mexico will be instructed to impress upon Huerta the wisdom of retiring.

SCHMEDEMAN.

File No. 812.00/9649.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, November 10, 1913—10 a. m.

611. When Congress assembles on the 15th the usual invitation to attend will be extended to all the heads of the missions in the diplomatic corps here. I have the honor to request your instructions as to whether I shall formally attend, not accept, giving definite reasons, or simply fail to attend without comment.

NELSON O'SHAUGHNESSY.

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[1] See footnote to the telegram of November 7, 10 p. m.

File No. 812.00/10029.

The American Chargé d'Affaires at Santiago to the Secretary of State.

No. 422.] AMERICAN LEGATION,
Santiago, November 11, 1913.

SIR: Referring to the Department's telegram of November 8, 11 a. m.,[1] in regard to the Mexican question, and to my answer[2] thereto of November 8, 6 p. m., in which I informed the Department that the Sub-Secretary stated, in the name of the Chilean Government, that Chile, in agreement with Argentina and Brazil, would continue its policy of supporting the United States in its dealings with Mexico, I have now the honor to inform the Department that yesterday, in another interview with Mr. Castro, the Sub-Secretary, he informed me that telegrams had been sent to both the Chilean Minister in Buenos Aires and the Chilean Minister in Rio de Janeiro in the terms set out in my above-mentioned telegram. Mr. Castro further added that it was the attitude of the Chilean Government to place themselves thoroughly in accord with that of the United States in this matter; that Chile, Argentina, and Brazil consider themselves as serious governments of serious people and do not wish to countenance such governments as that at present existing in Mexico, and for that reason were determined to thoroughly endorse and sustain the attitude assumed by the Government of the United States in Mexico.

I have [etc.]

ROLAND B. HARVEY.

File No. 812.00/9666.

The American Ambassador to Japan to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Tokyo, Nov. 11, 1913—1 p. m.

Department's November 7, 10 p. m.

[The Minister for Foreign Affairs being absent, the Department's telegram was communicated through the Vice-Minister for Foreign Affairs. The rest of this telegram relates to information that Japan is supplying Mexico with arms.]

GUTHRIE.

File No. 812.00/9667.

The American Chargé d'Affaires in Guatemala to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Guatemala, Nov. 11, 1913—5 p. m.

Department's November 10, 2 p. m.[1] President of Guatemala stated that the Guatemalan Minister to Mexico has already been in-

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[1] See footnote to the telegram of November 7, 10 p. m.
[2] Not printed.

structed to follow the course of the American Chargé d'Affaires and that he would be again instructed to act in harmony with the plans of the President of the United States in this crisis.

WILSON.

File No. 812.00/10438.

The American Ambassador to Great Britain to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
London, Nov. 11, 1913—7 p. m.

Department's November 7, 10 p. m. I said today to Sir Edward Grey some appreciative words regarding his Guildhall speech. Later, in giving his answer, promised last Saturday, as to the British Government's attitude toward Huerta, Sir Edward unhesitatingly declared that they would lend no support to Huerta as against the United States.

Question: What do you mean by support?

Answer: Aid of any sort as against the United States.

Question: How would that be made effective?

Answer: If Huerta asks for our aid we shall tell him we can not lend it.

Question: Suppose he does not ask it?

Answer: If he shows he expects it.

Question: Will you declare that to Huerta?

Answer: I will instruct Carden that if Huerta asks for aid or shows by act that he expects it, he (Carden) is to inform him that he shall not have it.

Sir Edward stopped short at saying that without such act or request from Huerta he would instruct Carden to take the initiative in approaching him. It is possible that he may have in mind a wish to hear first from the other Governments he is consulting. He said he would continue the conversation with me after he had heard from the other Governments, mentioning in particular France, Germany, and Spain.

PAGE.

File No. 812.00/9703.

The American Ambassador to Great Britain to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
London, Nov. 13, 1913—1 p. m.

No. 104. The abbreviated dialogue of my November 11, 7 p. m., I fear is misleading. Sir Edward Grey was definite, positive, exceed-

[1] See footnote to the telegram of November 7, 10 p. m.

ingly friendly, even cordial, and he seemed to me to give all we asked. He does not regard it as proper for his Government to take an aggressive attitude because that would imply active British intervention, which the British Government does not regard as its duty, nor as desired by the United States. But if Huerta shows by word or act that he counts on British aid in any form, he will be promptly informed that the British Government will not give it. Sir Edward left the question of possible mediation between Huerta and the United States open until he should hear from other Governments, when it may be they will voluntarily advise Huerta to retire. We feel here that our whole contention has been granted. The general feeling toward Huerta has completely changed here, and his elimination is regarded as certain, imminent and desirable; but they regard this as the task of the United States, with their cordial approval, and not as their task.

PAGE.

File No. 812.00/9709.

The American Minister to Panama to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Panama, November 13, 1913.

Your November 10, 2 p. m.[1] The Government of Panama replies that as the efforts of President Wilson to restore constitutional government in Mexico is generous and noble, the Panaman representative has been instructed to say that Panama sympathizes with those efforts.

PRICE.

File No. 812.00/9973.

The American Chargé d'Affaires at San Salvador to the Secretary of State.

No. 337.] AMERICAN LEGATION,
San Salvador, Nov. 14, 1913.

SIR: In compliance with the Department's telegraphic instruction of November 10, 2 p. m.,[1] relative to the situation in Mexico, I have the honor to report that I communicated a paraphrase translation of this telegram to the Minister for Foreign Affairs and I was informed by him, in reply to the wish of the President, that the Government of Salvador will use its influence to impress upon General Huerta, in the interests of peace and constitutional government, the wisdom of retiring, and that the Salvadoran Minister in Mexico would be instructed to that effect.

I have [etc.]

THOMAS HINCKLEY.

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[1] See footnote to telegram of November 7, 10 p. m.

File No. 812.00/9808.

The American Ambassador to Spain to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Madrid, November 18, 1913—2 p. m.

Department's November 10, 2 p. m.[1] The Spanish Cabinet is still considering the subject thereof and may continue indefinitely. The German Ambassador and the French Chargé d'Affaires here tell me that their respective Governments will take no independent action and each is in accord with our Government.

WILLARD.

File No. 812.00/10308.

The American Chargé d'Affaires at Rio de Janeiro to the Secretary of State.

[Extract.]

No. 280.] AMERICAN EMBASSY,
Rio de Janeiro, November 21, 1913.

SIR: I have the honor to enclose, for the consideration of the Department, a copy and translation of an interesting editorial from the Jornal do Commercio of Rio de Janeiro, of the 19th instant, relative to the policy of our Government as regards Mexico.

As the Department is doubtless aware, the Jornal do Commercio is by far the most representative paper published in this capital and in fact, in the opinion of many, ranks among South American papers second only to La Prensa of Buenos Aires. Its editor and owner is Dr. José Carlos Rodrigues, a man of wide experience and balance, who has traveled extensively in the United States and elsewhere. Dr. Rodrigues is a close personal friend of Dr. Lauro Müller and is in full accord with the Minister's policy as regards the relations between the United States and Brazil in the Mexican situation. * * *

The accompanying excerpt and translation from the Correio da Manhã of today's date—another important metropolitan journal—indicates quite clearly the trend of public opinion.

I have [etc.]

J. BUTLER WRIGHT.

[Inclosures—Extracts—Translations.]

From the Journal do Commercio:

President Wilson does not desire intervention in Mexico nor in any other country. What he desires is that there should be established in that country a regular government, recognized by the people. He is not influenced by the fact that other nations, badly informed, hastened to recognize Huerta. He has his policy and does not waver in it. He has a perfect right to intervene in Mexico now, or to end the illegal and immoral government of Huerta, or, if he should be appealed to by the revolutionists, if the constituted "government" allows the struggle to be prolonged by lack of resistance: this right is

[1] See footnote to the telegram of November 7, 10 p. m.

the same as that exercised 46 years ago when the Government at Washington intimated to Napoleon that the French troops should be withdrawn from Mexico.

It is enough for us, not having interests there ourselves, to follow the policy of our friend the United States, which has important interests; and we should remember also that this is the policy of our Minister for Foreign Relations, who is so wisely directing our international policy.

From the Correio da Manhã:

The United States, in endeavoring to free Mexico from Huerta's Government, is inspired by the requirements of civilization and the rights of humanity. All the civilized world is in sympathy with this desire. Brazil, an old friend of the United States, together with other countries, welcomes the efforts of the Government at Washington to restore peace in Mexico, freeing that country at the same time from a government which Mexico herself repels, a government detested by the best citizens, a barbarous government which rose out of the assassination of Madero and which only lives through terror and the shedding of blood.

It remains to be seen whether the United States is in such a position in regard to Mexico that intervention is justified. This is a delicate question and for this reason the Government at Washington has hesitated to decide it. Nevertheless the United States and its citizens have suffered great losses. In Mexico it is not only the property of Americans that is to be protected but even their lives. The United States might also legitimately intervene in the cause of humanity.

File No. 812.00/9932.

The American Ambassador to Germany to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Berlin, November 27, 1913—6 p. m.

The comments of the Foreign Office on Mexico are that there must be some one to succeed Huerta and that meanwhile German interests are suffering terribly. If they can find a good excuse, I think there is a chance of persuading the Government to withdraw all recognition of Huerta.

GERARD.

File No. 812.00/10711.

The American Minister to Costa Rica to the Secretary of State.

AMERICAN LEGATION,
San José, November 28, 1913.

SIR: I have the honor to acknowledge receipt of the Department's cablegram of November 10, 2 p. m.[1] It was several days before the Department's instructions could be carried out, when I addressed the following letter to the Foreign Office:

(Quotes his note [2] of November 15, embodying the instruction above referred to.)

Up to this time I have received no reply to the letter just quoted.

I have [etc.]

E. J. HALE.

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[1] See footnote to the telegram of November 7, 10 p. m.
[2] Not printed.

File No. 812.00/10054.

The American Consul at Chihuahua to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN CONSULATE,
Chihuahua, November 30, 1913—6 p. m.

Constitutionalists under command Francisco Villa defeated Federals on the 26th. Chihuahua abandoned by Federals last night, but Federal commander has left 200 soldiers here to preserve order until the revolutionists arrive, such force having been left under the guaranty of the consuls that their lives should not be put in jeopardy. Villa is being apprised of the guaranty. I am using my good offices to the fullest in the interest of society and humanity, and I am very hopeful that my representations to this end may be respected by the victorious revolutionists.

LETCHER.

File No. 812.00/10216.

The American Minister to Norway to the Secretary of State.

[Extract.]

No. 10.] AMERICAN LEGATION,
Christiania, December 1, 1913.

SIR: Referring to Department's telegram regarding the purpose of the United States in its dealings with Mexico, I have the honor to report that I have communicated its contents to the Foreign Office, verbally and in written paraphrase.

As on all former occasions, the Minister for Foreign Affairs seemed to be in sympathy with the policy adopted by the United States. From this interview with him I have been led to believe that Norway will continue to give the United States the same moral support that it has in the past. * * *

I have [etc.]

A. G. SCHMEDEMAN.

File No. 812.00/10011.

The Secretary of State to certain diplomatic officers of the United States.

[Telegram.]

DEPARTMENT OF STATE,
Washington, December 2, 1913—7 p. m.

To all Embassies and Legations except Mexico, Turkey, Bulgaria, Venezuela, Ecuador, Colombia, Siam, and Persia.

The President's annual message to Congress contained the following discussion of the Mexican situation:

There is but one cloud upon our horizon. That has shown itself [and so on, as printed at pp. X to XI of this volume, ending with]: We shall not, I believe, be obliged to alter our policy of watchful waiting. And then, when the end

comes we shall hope to see constitutional order restored in distressed Mexico by the concert and energy of such of her leaders as prefer the liberty of their people to their own ambitions.

BRYAN.

File No. 812.00/10018.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, December 2, 1913—9 p. m.

661. The British Admiral, Craddock, called on me today with the British Minister. He was in full uniform and had just returned from being received by General Huerta at the Palace, where he was accompanied by the British Minister and his aide, making it a most formal ceremony.

NELSON O'SHAUGHNESSY.

File No. 812.00/10263.

The American Minister to Panama to the Secretary of State.

No. 39.] AMERICAN LEGATION,
Panama, December 6, 1913.

SIR: I have the honor to inform the Department that I am on this day in receipt of a note from Dr. Belisario Porras, President of the Republic of Panama, in which he makes the following statement:

"The views of President Wilson in regard to the constitutional governments in the continent have been applauded by the thinking people of Latin America. I believe your President to be in the right path and there he will find me his strong admirer."

I have [etc.]

WM. JENNINGS PRICE.

File No. 701.6512/6.

The American Chargé d'Affaires to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN EMBASSY,
Mexico, December 8, 1913—noon.

670. Reports published in newspapers here state that the newly appointed Italian Minister will shortly leave Habana en route for Mexico in order to take up the duties of his post here. If true it is most regrettable, as it will be a yet greater incentive to resistance to our demands than the reception of the British Admiral by General Huerta. I believe that the Italian Government, were it to know the exact situation here, would not insist on its Minister being received. The affairs of the Italian Legation are in the hands of the British Minister who may be using his influence.

NELSON O'SHAUGHNESSY.

File No. 812.00/10118.

AMERICAN EMBASSY,
Mexico, December 10, 1913—10 a. m.

675. I transmit the text of yesterday's congressional sessions:

REPORT OF COMMITTEE.

[Extract.]

We, the undersigned members of the Grand Committee of this the Honorable Chamber of Deputies, have the honor * * * to submit the following bill for consideration:

ARTICLE 1. The extraordinary elections for President and Vice President of the Republic which took place on October 26, 1913, are declared null since the majority of the electoral precincts did not function legally and since this is a cause for nullity as is provided in article 42, fraction 3, of the law of May 31, 1913.

ART. 2. The Mexican people is convoked to new extraordinary elections for President and Vice President of the Republic, which shall be direct and in accord with the provisions of the electoral law of May 31, 1913, and shall take place at the same time as those for Deputies and Senators the first Sunday in July of the coming year of 1914.

ART. 3. The mandatories elected shall begin the occupation of their posts as soon as the Chamber of Deputies makes the respective declaration and shall terminate them on November 30, 1916.

ART. 4. Citizen General Victoriano Huerta shall continue as Constitutional President ad interim of the United Mexican States until the extraordinary elections for President and Vice President of the Republic have been held and Congress issues the necessary declaration setting the date when he shall turn over the power to the President elect.

NELSON O'SHAUGHNESSY.

File No. 812.032/18.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, December 15, 1913—11 a. m.

685. The Mexican Congress adjourns today until April 14, according to constitutional precedent. The Permanent Commission thereof will remain until that date, as constitutionally provided. Congress has given General Huerta extraordinary powers in the matters of finances, army, and police.

NELSON O'SHAUGHNESSY.

File No. 812.00/10229.

The American Minister to Uruguay to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Montevideo, December 16, 1913—11 p. m.

Huerta's autograph letter announcing his election as interim constitutional President was acknowledged as a matter of routine by former Minister for Foreign Affairs Romeu. The President of Uruguay regrets this acknowledgment and informs me that if information requested by cable shall show that Huerta has set himself up as dictator, Huerta will not be recognized as interim constitutional President, by reception of minister or otherwise. Even if report

should show that Huerta still acts as constitutional President, no action implying further recognition as such will be taken until my return from Paraguay.

GREVSTAD.

VIOLATIONS OF NEUTRALITY—PROHIBITION OF SHIPMENT OF ARMS AND MUNITIONS OF WAR INTO MEXICO FROM THE UNITED STATES, AND EXCEPTIONS THERETO.

NOTE. On March 14, 1912, the President proclaimed a joint resolution of Congress of that date[1] providing:

That whenever the President shall find that in any American country conditions of domestic violence exist which are promoted by the use of arms or munitions of war[2] procured from the United States, and shall make proclamation thereof, it shall be unlawful to export, except under such limitations and exceptions as the President shall prescribe, any arms or munitions of war from any place in the United States to such country until otherwise ordered by the President or by Congress.

The proclamation declared that:

I have found that there exist in Mexico such conditions of domestic violence promoted by the use of arms or munitions of war procured from the United States as contemplated by the said Joint Resolution; and I do hereby admonish all citizens of the United States and every person to abstain from every violation of the Joint Resolution above set forth, hereby made applicable to Mexico, and I do hereby warn them that all violations of such provisions will be rigorously prosecuted. And I do hereby enjoin upon all officers of the United States, charged with the execution of the laws thereof, the utmost diligence in preventing violations of said Joint Resolution and this my Proclamation issued thereunder, and in bringing to trial and punishment any offenders against the same.

In regard to the shipment of arms into Mexico from the United States for the protection of American citizens, the Mexican Foreign Office in objecting to shipments to consular offices of the United States stated[3] on December 12, 1912, to the American Ambassador as follows:

This Government has followed the invariable rule of not allowing foreigners residing in Mexico to be armed by their Governments; therefore I beg that when you think it proper to ask that any American citizen domiciled in this Republic should procure arms, you will make your request as if it concerned a transaction between individuals, so that the Mexican Government may have the satisfaction of granting it in all cases where it is possible.

The Secretary of State in response instructed the Ambassador[4] to say:

that although the arms and ammunition are for convenience consigned to the consuls, they are intended for the protection of individual American citizens.

Another point discussed in 1912 was the distinction between the shipments of arms forbidden by the above-mentioned Proclamation and the mere commercial sale of arms. The Department of State announced the attitude of this Government in the following statement[5] to the Mexican Embassy:

It is the well-known practice of merchants of neutral countries to furnish munitions of war to one or both of contending belligerents.

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[1] For. Rel. 1912, pp. 745–746.
[2] "Munitions of war" are defined by the Attorney General in a letter to the President dated March 25, 1912. See For. Rel. 1912, pp. 759–761.
[3] For Rel. 1912, pp. 877–878.
[4] Id. p. 878.
[5] Id. p. 741.

The situation is somewhat different, however, with reference to the so-called neutrality statutes which have been enacted by this Government, which, going beyond the provisions of international law, do make illegal certain acts specified in the statutes even when no state of belligerency exists, such acts being directed against the established government of a country with which this Government is at peace. But the duties of neutrality under the law of nations cannot be either expanded or contracted by national legislation. * * * Our own statutes bind only our own Government and citizens and those within our jurisdiction. If they impose on us a larger duty than is imposed on us by international law, they do not correspondingly enlarge our duties to foreign nations. Since therefore these statutes only qualify as offenses certain specified transactions which would not otherwise have that character * * * it is evidently necessary that the act complained of should clearly fall within the statutes in order that it should be regarded as illegal.

These so-called neutrality statutes do not, any more than the general laws of neutrality, prohibit the mere commercial exportation of arms and ammunition, and, that being true, the Executive is, under them, powerless, however much it might in any given case wish to do otherwise, legally to prevent this traffic so long as it remains purely commercial and is unconnected with any other act prohibited by the statutes.

It will therefore be quite clear that under the principles of international law as well as under the so-called neutrality statutes of this country, the mere commercial sale of supplies in El Paso to Mexicans, whether insurrectos or supporters of the Government, and their simple delivery across the border, cannot be looked upon as a violation of international law or of the so-called neutrality statutes.

The Mexican Embassy responded (For. Rel. 1912, p. 743) that the failure of the neutrality statutes to cover many important points was not good ground for failure of this Government to take any steps calculated to prevent acts that come within the field of international duty, and consequently the Mexican Government hoped this Government would take measures to prevent exportation of arms and ammunition into Mexico.

The majority of the complaints made by Mexico in relation to such shipments, however, characterized the shipments as violative of the neutrality laws of the U. S. This attitude prevails in the correspondence during 1913.

As this correspondence is largely a series of notifications of reported shipments of this kind, which the Department of State disposed of by reference to the competent authorities, without controversy, this portion of it is reduced to the following list. The correspondence is printed in full in cases where it contains remarks not of a routine nature.

File No.	Serial No.	Character.	Date.	From—	To—	Purport.
			1913.			
812.00/6666	278	Memo..	Mar. 12	Mexican Embassy.	Dept. of State.	Recruiting and shipment of arms from San Antonio, Tex., for rebel Carrancistas; requests good offices to prevent these violations of U. S. neutrality laws.
6666	.....	Memo..	Mar. 17	Dept. of State.	Mexican Embassy.	No corroborative information received; referred to the appropriate authorities.
6667	280	Note...	Mar. 12	Mexican Embassy (De la Cueva).	Dept. of State.	J. M. Maytorena and confederates on Sonora border and Maderistas in the U. S. are violating the neutrality laws of U. S.; requests prevention thereof.

File No.	Serial No.	Character.	Date.	From—	To—	Purport.
6667	244	Note...	Mar. 17	Dept. of State (Wilson).	Mexican Embassy (De la Cueva).	Does not doubt that all necessary measures are being taken but has referred the note to the appropriate authorities.
6702	282	3d pers.	Mar. 13	Mexican Embassy.	Dept. of State.	Recruiting under Gord within U. S. by Maderistas for service at Nogales, Sonora; communicated for Dept.'s information.
6702	.....	3d pers.	Mar. 19	Dept. of State.	Mexican Embassy.	Communicated to the Attorney General for appropriate action.
6703	283	Note...	Mar. 13	Mexican Embassy (De la Cueva).	Dept. of State.	Scandalous meetings have been held at San Antonio, Tex., and preparations to recruit men and send arms to Mexico, in violation of U. S. neutrality laws; requests appropriate action.
6703	.....	Note...	Mar. 21	Dept. of State (Adee).	Mexican Embassy (De la Cueva).	Contents of his note referred to the Attorney General for appropriate consideration.
6991	306	Memo..	Apr. 1	Mexican Embassy.	Dept. of State.	Ernesto Fernández and one González Salas are connected with a scheme to ship arms to Mexico from Mississippi clandestinely; requests good offices to avoid this violation of the U. S. neutrality laws.
6994	.....	Memo..	Apr. 5	Dept. of State.	Mexican Embassy.	The matter has been referred to the Dept. of Justice.
7007	309	Memo..	Apr. 3	Mexican Embassy.	Dept. of State.	Requests utmost display of military activity along the boundary to prevent rebels from joining in attack on Laredo, Tamaulipas, in violation of U. S. neutrality laws.
7190	.....	Memo..	Apr. 23	Dept. of State.	Mexican Embassy.	The Embassy's request has been communicated by the War Dept. to the commdg. general at Fort Sam Houston.
7056	.....	Letter..	Apr. 3	Gov. of Texas.	Dept. of State.	Transmits copy of letter from J. A. Fernández alleging violation of U. S. neutrality laws, and of his reply thereto.
7033	.....	3d pers.	Apr. 7	Sec. of State...	Att'y General.	Incloses for appropriate action telegram from G. E. Miriles protesting against his threatened arrest. As editor of El Demócrata he is fighting the spurious government of Huerta but without violating laws of the U. S. Also incloses letter from T. R. Beltrán protesting against presence of Huerta's spies at international bridge at Eagle Pass, in violation of neutrality laws. Also incloses telegram from Consul Ellsworth stating that Miriles is secretary to chief of revolutionists, and Beltrán is his agent and instigator of scheme to hold mdse of Americans for ransom.
7074	423	Note...	Apr. 9	Mexican Embassy (De la Cueva).	Dept. of State.	Requests that T. R. Beltran, R E. Muzquiz, R. Madero et al be prevented from entering the U. S. at Eagle Pass to carry on rebellious activities there in violation of the neutrality laws of the U. S.
7074	.....	Note...	Apr. 15	Dept. of State. (Bryan).	Mexican Embassy.	Communicated to the Dept. of Justice for appropriate action.

File No.	Serial No.	Character.	Date.	From—	To—	Purport.
7105	425	Note...	Apr. 11	Mexican Embassy (De la Cueva).	Dept. of State.	Requests that Messrs Enciso, Maderistas at Naco, et al in Sonora, be prevented from entering the U. S., securing arms, carrying messages, etc. in behalf of revolutionary chiefs.
7105	268	Note...	Apr. 16	Dept. of State (Adee).	Mexican Embassy.	Communicated to the Sec. of War and the Atty. General for appropriate action.
7106	427	Note...	Apr. 11	Mexican Embassy (De la Cueva).	Dept. of State.	A revolutionary junta will soon meet at El Paso, Tex., to be attended by Messrs. Pesqueira, Navarro, Mercado, Zamacona, Hernandez et al, for revolutionary purposes. Requests the arrest of these; assistance will be given by Mexican consul at El Paso if desired.
7106	270	Note...	Apr. 16	Dept. of State (Bryan).	Mexican Embassy.	Communicated to the Sec. of War and the Atty. General for appropriate action.
7160	432	Note...	Apr. 15	Mexican Embassy (De la Cueva).	Dept. of State	Máximo Avalos of Golconda, Ariz., is engaged in recruiting in the U. S. to join the rebels in Sonora, as appears in the inclosure. Requests action thereon.
7160	.....	Note...	Apr. 21	Dept. of State (Bryan).	Mexican Embassy.	Referred to the Atty. General.
7501	300	Note...	May 19	Dept. of State (Moore).	Mexican Embassy.	Copies of Avalos' letter have been sent to the commanders of forces on the border for their information.
7338	452	Note...	Apr. 30	Mexican Embassy (De la Cueva).	Dept. of State.	Eduardo Hay has ordered arms of one Saldaña of Douglas, Ariz.; requests that they be prevented from entering Mexico.
7338	285	Note...	May 6	Dept. of State (Moore).	Mexican Embassy.	Referred to the Sec. of War and the Atty. General for appropriate action.
7444	291	Note...	May 13	Dept. of State (Moore).	Mexican Embassy.	Appropriate agents of the Dept. of Justice were informed of the matter with instructions to take action.
7423	459	Note verbale.	May 7	Mexican Embassy.	Dept. of State.	Requests prevention of exportation to Mexico of an aeroplane now at Tucson, Ariz., intended for rebels in Sonora.
7446	460	Note...	May 8	Mexican Embassy (De Terrerros).	Dept. of State.	Refers to his note verbale of May 7; has since learned that the aeroplane has been confiscated by the Tucson authorities. Requests arrest and punishment of those who had planned to export it.
7423	.....	3d pers.	May 10	Dept. of State.	Mexican Embassy.	Communicated to the Secretaries of War and the Treasury and to the Atty. General for appropriate action.
7493	298	Note...	May 17	Dept. of State (Moore).	Mexican Embassy.	The Collector of Customs at Nogales instructed May 13 to prevent exportation of aeroplane.
7511	301	Note...	May 20	Dept. of State (Moore).	Mexican Embassy.	A copy of the foregoing sent to the Atty. General. Replying to its request for arrest of those concerned, the Atty. General states, May 14, that warrants have been issued therefor; shipment of aeroplane has been stopped.
7560	306	Note...	May 24	Dept. of State (Moore).	Mexican Embassy.	Aeroplane, en route to Mexico, was seized 30 miles south of Tucson, where it is being held.

File No.	Serial No.	Character.	Date.	From—	To—	Purport.
7639	.....	Tel....	May 29	Gov. of Arizona.	Dept. of State.	Provisional Governor Pesqueira of Sonora notifies of arrest of certain officers presumably implicated in the aeroplane shipment. Requests to know what disposition of them is desired.
7639	.....	Tel....	June 12	Dept. of State.	Gov. of Arizona.	No action necessary.
7523	465	Note...	May 16	Mexican Embassy (De Terrerros).	Dept. of State.	The str. Honduras sailed to-day from New York carrying munitions of war worth $200,000 apparently consigned to 4 hardware stores on the Texas frontier for the use of enemies of the Mexican Government; it will unload at Velasco near Corpus Christi. Requests detention of this contraband of war.
7523	302	Note...	May 19	Dept. of State (Moore).	Mexican Embassy.	Communicated to the competent authorities.
7584	309	Note...	May 27	Dept. of State (Moore).	Mexican Embassy.	The Sec. of the Treasury on May 22 instructed the collector of customs at Galveston to take all necessary precautions as to the Honduras.
7592	469	Note...	May 23	Mexican Embassy (De Terrerros).	Dept of State..	Requests that certain specified munitions of war be not sold but delivered to the Mexican consul at Roma, Tex. They were seized in March when an attempt was made to bring them into the U. S.
7592	.....	Note...	May 23	Dept of State..	Mexican Embassy.	Communicated to the Sec. of the Treasury with recommendation that the request be complied with. The question of permitting these articles to be exported from the U. S. into Mexico will be carefully considered on receipt of a formal request setting forth names and addresses of consignor and consignee.
8132	15	Note...	July 22	Mexican Embassy (De Terrerros).	Dept of State .	Formal request as above stipulated.
7674	478	Note...	May 31	Mexican Embassy (De Terrerros).	Dept of State .	240 cases of dynamite have been sent from Nogales, Ariz., to Mexico and delivered to the rebels. Requests investigation and measures to prevent future clandestine shipments of munitions of war, in conformity with the President's proclamation of Mar. 14, 1912.
7754	315	Note...	June 17	Dept of State (Moore).	Mexican Embassy.	Communicated to the Sec. of the Treasury and the Atty General for appropriate action; the former, on June 8, issued instructions for prompt investigation.
7898	332	Note...	July 2	Dept of State (Moore).	Mexican Embassy.	Transmits report that investigation showed the dynamite had already passed into Mexico and had been delivered to the rebels.
7896	.....	Tel.....	June 25	Gen. Carranza.	The President.	Four guns consigned to Huerta forces at Laredo, Mex., are in the express office at Laredo, Tex.; 75 cases ammunition have already come across for said forces. Requests appropriate action.
7901	.....	Tel.....	June 26	Gen. Carranza.	The President.	Two of above-mentioned guns have passed into Mexico. As Constitutionalist Chief he calls attention to the fact.

File No.	Serial No.	Character.	Date.	From—	To—	Purport.
7940	306	Tel.....	July 1	Ambassador Wilson.	Dept of State..	Reports smuggling into Mexico of 14,000 rifles with ammunition in violation of the neutrality laws. Mexican agents report sheriffs and other officials in U. S. in collusion.
9216	.....	Memo..	Sept 23	Mexican Embassy.	Dept of State..	The Copper Queen mine of Bisbee, Ariz., has 500,000 cartridges and 4000 rifles which it is intended to pass as contraband to the rebels in Sonora; the garrison at Bisbee is ineffective for preventing the same, although Col. McComb had knowledge of the situation.
9216	.....	Memo..	Oct 8	Dept of State..	Mexican Embassy.	Communicated to the appropriate authorities for investigation.

File No. 812.113/2070A.

The Acting Secretary of State to the President.

DEPARTMENT OF STATE,
Washington, March 24, 1913.

DEAR MR. PRESIDENT: A joint resolution of Congress, approved March 14, 1912, provides: "That whenever the President shall find that in any American country conditions of domestic violence exist which are promoted by the use of arms or munitions of war procured from the United States, and shall make proclamation thereof, it shall be unlawful to export, except under such limitations and exceptions as the President shall prescribe, any arms or munitions of war from any place in the United States to such country until otherwise ordered by the President or by Congress." On the same date the President issued a proclamation declaring and proclaiming that the conditions contemplated by the joint resolution existed in Mexico and making applicable to Mexico the provisions of the resolution. The Attorney-General was then called upon to define the term "arms and munitions of war" within the meaning of the proclamation, and it was left for the State Department, with its knowledge of conditions in Mexico, to decide whether or not a contemplated shipment of arms or munitions of war from this country into Mexico should be recommended to the President for exception from the operation of the law and the proclamation of March 14th.

It has been the custom, when an application for an exception is made, to investigate through the nearest consular officer the conditions in the vicinity of the destination of the shipment and along the route from the port of entry into Mexico to destination, and, where it appears necessary, to investigate also the bona fides of the consignee and the matter of the use to which the arms or munitions in question will be put after delivery. The necessary orders to the Secretary of the Treasury, which are sent to the Executive Office for signature by the President, are then prepared and at the same time

the necessary communications to consuls at the ports of entry into Mexico and to the shippers in this country; these communications being held until the Department is informed by the Executive Office that the Treasury orders have been signed by the President, whereupon they are immediately despatched and the shipments may go forward to their respective destinations.

Shipments of arms and munitions of war may be divided into five classes:

First: those which are exported to commercial houses for the ordinary purposes of commerce, that is, for hunting, self-protection, et cetera. All such shipments are carefully scrutinized by the Department in all particulars and where it seems reasonably certain that there will be no violation of the provisions of the law, recommendations are made that the shipments in question be excepted.

Second: those which are exported to American citizens in Mexico who need them for their self-defense. The exception of such shipments is recommended if it seems possible for the shipments to reach destination in safety, and when the bona fides of the applicant seems certain. Where there is any doubt it is ascertained through the nearest consular officer or through the Embassy.

At first it was the practice to have such exportations, which at one time were of large quantities, sent in the care of either the Embassy or the nearest consular establishment. This somewhat official procedure was not agreeable to the Mexican Government, and various obstructions were placed in the way. It has been found more expeditious, therefore, to send such arms and ammunition to the consignee privately, since, when this is done, the Mexican Government interposes no hindrances.

Third: those which are exported to industrial establishments, such as mines, smelters, power plants, building enterprises, harbor improvements, plantations, et cetera. In such cases exceptions have been recommended, since the Department believed that the best way to avoid domestic disorder was to keep as many industrial enterprises in operation and as many people at work as possible. Accordingly, even when an industrial enterprise is in territory completely under the control of insurrectionists, it has been the custom to recommend the exception of shipments of dynamite, blasting powder, blasting caps, fuse and kindred articles, everything in fact except actual firearms and ammunition. This practice reduces losses to the minimum and by keeping the natives employed prevents them from swelling the number of insurrectionists or bandits, and seems especially desirable on account of the fact that the great majority of industrial enterprises in Mexico are American owned.

With regard to industrial shipments to enterprises within the sphere of insurrectionary control the practice has been to have the companies import small amounts at frequent intervals rather than large single shipments, it being understood that the Department will continue to recommend exceptions for small amounts until such time as some shipment is seized, whereupon no further shipments are excepted until it is again safe to do so. In this way not enough powder or dynamite to be of material aid falls into insurrectionary hands and the enterprises are kept at work as long as possible.

Fourth: those which are exported to military or civil officials at the instance of the central administration at Mexico City. It has been the custom heretofore to recommend exceptions for shipments of this kind when application therefor is made through the Mexican Embassy at this capital, thus insuring, it is taken for granted, the bona fides of the consignee and the safety of the route. This practice, which is directly dependent upon the policy of this Government with regard to Mexico: i. e., our attitude towards the central administration, has been followed in order to conform to the verbally expressed desire of President Taft that this should be done. President Taft intended at first to write into his proclamation a blanket exception for all shipments requested by the central administration, but was, at the last moment, dissuaded from so doing by the Department, which thought that the inclusion of such blanket exception in the proclamation would make it appear so partisan, so favorable to the Madero administration as such, that it would cause insurrectionists to make reprisals against Americans in Mexico, which it was to the best interest of every one concerned to avoid. The proclamation did not, accordingly, contain any statement with reference to shipments of arms and munitions of war for the Mexican central administration, but in view of the President's directions, the practice has been to recommend their exception nevertheless.

It may be observed here that the Department is still of the opinion it expressed with regard to the exportation of arms and munitions of war to Mexico and with regard to the joint resolution of March 14, 1912, when this matter first came to its attention, namely, that the law if enforced would prove embarrassing (since it arbitrarily interfered with the natural course of events in Mexico and fixed upon this Government a certain measure of responsibility for the outcome), but that, if passed, it should be applied impartially, exceptions being granted only for shipments of arms and munitions of war to commercial houses for commercial use, to Americans for self-defense, and to industrial establishments for their operation.

Three objections besides others will be perceived at once to this impartial enforcement: First, the Mexican central administration may be materially hindered in enforcing law and order and in putting down insurrection. Second, the Mexican central administration, finding itself unable to import arms and munitions of war from the United States, might be apt to obstruct in every way shipments of arms for Americans for self-defense and arms and munitions of war for commercial and industrial establishments belonging to Americans, and might probably make its resentment felt in other ways. Third, it would set about securing its war material in other countries (a matter which this Government could not assume to control), and our merchants would thus be deprived of business which otherwise they might secure.

Fifth: special cases, as for instance, arms and ammunition for protection and for sporting purposes for private persons not Americans, and for the United States naval vessels in Mexican waters, within or without the three-mile limit, when shipped via naval vessels or merchant vessels, et cetera. All such cases are given special scrutiny before an exception is recommended, and where, as is some-

times the case, the scope or meaning of the law is involved, the Department of Justice is requested to render an opinion.

The Department would much appreciate, for its guidance, an expression of the President's views as to the course it should follow in pursuance of the Presidential proclamation of March 14, 1912, (which it is assumed will for the time being be continued in force, otherwise this whole matter becomes one which will have to be taken up de novo) and particularly with reference to the shipments falling under the fourth classification.

And another matter upon which the Department especially desires to have an indication of the President's wishes is the following: Frequently a period of from two or three days to a week or more intervenes between the date when the Department finds conditions such that the exception of a specific shipment may be recommended and the date when that shipment arrives at the port of entry into Mexico. It has several times happened that during this interval conditions have so materially changed as to make it unsafe for the shipment to enter Mexico after arrival at the port of entry. In the face of this situation, in order to save time and prevent shipments from falling into insurrectionary hands, it has been the practice of the Department to request the Treasury Department not to permit such shipments to enter Mexico, notwithstanding that a Presidential order had been given the Treasury Department to permit them to enter, and in several instances the alternative course has been pursued of recommending that the shipment be forwarded by some other route not passing through disturbed territory. This is done so that the spirit as well as the letter of the law may be obeyed and because the situation would be beyond remedy if the necessary time were taken to refer the matter to the President and to secure a special order from him countermanding his previous order. Since the Department does not, however, wish to appear to be interfering with an order given by the President, it would be glad to know what the President would like to have done in instances of this kind so that it may either act as it has done heretofore or in some expedient way take up such matters directly with the President and secure, when necessary, a countermanding of his previous orders.

I have [etc.]

ALVEY A. ADEE.

File No. 812.113/2088.

The President to the Acting Secretary of State.

THE WHITE HOUSE,
Washington, March 25, 1913.

MY DEAR MR. ADEE: Thank you sincerely for your memorandum, bearing date of March 24, concerning shipment of arms and munitions of war from the United States into Mexico. It furnishes me with just the information I desire, and I want to say that it seems to me that the action of the Department in these matters has been prudent and entirely satisfactory. My inquiries[1] implied no criti-

[1] Not of record; probably oral.

cism whatever, and I wish to express my appreciation of the careful consideration given this important matter in the routine of the Department.

I would be obliged if you would have it so arranged that when the permission for shipment, which I am to sign, is made out, the five classes of shipments, which you distinguish in your letter of March 24, be separated so that each order or permit will contain articles falling under only one of the five classes. This will enable me from time to time to form an idea of how large the shipments are under the several classes, and I hope it will not cause the Department serious inconvenience.

Cordially yours,

WOODROW WILSON.

File No. 812.113/2268A.

The Secretary of State to the American Consular Officers at Nogales, Ciudad Juárez, Ciudad Porfirio Díaz, Nuevo Laredo, Matamoros, Tampico, and Vera Cruz.

DEPARTMENT OF STATE,
Washington, April 2, 1913.

SIR: With reference to the President's proclamation of March 14, 1912, prohibiting the exportation of arms and munitions of war from this country to Mexico, the Department desires to call your attention to the practice followed in recommending to the President that exceptions to the proclamation be granted.

It is the object of the Department to interfere with the ordinary course of business as little as possible, and accordingly consignments of dynamite, blasting powder, blasting caps, fuses and kindred articles for the use of mines, smelters, power plants, building enterprises, harbor improvements, plantations and similar enterprises are recommended for exception whenever the information in possession of the Department shows that conditions along the routes of travel are normal and that the consignments are likely to reach their destinations in safety. Even when consignments are intended for enterprises situated in territory completely within control of insurrectionists, the Department recommends that exceptions be granted to allow small shipments to be made from time to time, provided the consignors can give the Department convincing assurances to the effect that the shipments will not be interfered with by the insurrectionists and that they will reach their destinations in safety.

Shipments of this character are allowed to proceed to any particular locality until such time as some shipment is seized, whereupon no further shipments are excepted until it again seems safe to do so. The Department has followed this practice believing that it is better to risk having a small amount of dynamite, caps or fuses, et cetera, seized by insurrectionists, than to force a number of industrial enterprises to close, and thereby throw out of employment many workmen who, if unemployed, might go to swell the ranks of the insurrectionists or become bandits.

Shipments intended for Mexican military or civil officials are recommended for exception from the President's proclamation upon

assurances being received from the Mexican Embassy in this city that they are for the use of the central administration and that they will in all probability reach their destination in safety.

I am [etc.]

For Mr. Bryan:
WILBUR J. CARR.

File No. 812.00/7100.

The Governor of Texas to the Secretary of State.

GOVERNOR'S OFFICE,
Austin, April 7, 1913.

DEAR SIR: I quote below report of Sergeant M. W. Hines of Company B of the Texas Ranger Force, to the Adjutant General of Texas:

In regard to the condition I have found here, beg to report that at present Eagle Pass and vicinity have about 1,800 or 2,000 strange Mexicans, who are strong partisans and they represent practically every faction in Mexico, and they make no pretensions in concealing who they are for, and they are taking active interest in their various sides.

The Mexican element of Díaz, across the river from Eagle Pass are over here in large numbers. Most of them seem to be in favor of the Huerta government, while the American Mexicans who live here are strongly against the Huerta government.

There is no doubt but what both sides are smuggling arms across the river below this place. The people residing along the river say that they are crossing all of the time practically, and it seems they are not molested any from the number of reports that I have.

At one time the Texas State authorities endeavored to assist in the enforcement of the neutrality laws, but after the Secretary of War stated that it was none of our business, I directed efforts to cease, as I did not wish to have any conflict with the Federal agents or authority.

I am sending you this report for its reference to the proper department of the Federal Government.

Yours truly,

O. B. COLQUITT.

File No. 812.113/2135.

The Mexican Chargé d'Affaires to the Secretary of State.

[Translation.]

No. 414.] MEXICAN EMBASSY,
Washington, April 8, 1913.

YOUR EXCELLENCY: In compliance with instructions which I have received from my Government, I have the honor to appeal to your excellency's kind offices to the end that in every future case of exportation of explosives to Mexico the proper authorities may make this known to the Mexican Government in order that the War Department may state whether or not there is objection to such exportations.

Not doubting that your excellency will see fit to favor this request owing to its significance in the prompt restoration of complete peace in Mexico, I take pleasure in thanking you sincerely in advance [etc.]

ARTURO DE LA CUEVA.

File No. 812.113/2190.

L. L. Fierros, representing certain Constitutionalists, to the President.

[Telegram.]

LAREDO, TEXAS, *April 14, 1913.*

It has reached our knowledge that a consignment of arms and munitions of war including a rapid-fire gun has reached Laredo, intended to be crossed for the supporters of the Huerta criminal government of our country. As Mexicans, and desiring that the slaughter of men fighting for constitutional rights in our beloved cause,[1] we respectfully petition Your Excellency not to grant permission for the exportation of such arms and ammunition intended for the army of Huerta. And we further request, if it please Your Excellency, that if in your judgment the Constitutionalist party in Mexico is fighting earnestly and sincerely for that which is most dear to human sentiment of liberty and independence, that due consideration be given to men in the Constitutional army and their belligerent rights recognized. We love men but liberty is dearer. We want in Mexico the same form of government that you have and enjoy in this great country. We do not believe that an army of assassins should govern the destinies of our fellow-men and coldly and without cause murder the people that support and feed them. Let the people rule in Mexico and help us establish in our dear and humiliated country the the true government for and by the people. We thank you for due consideration.

In representation of two hundred and thirty-eight Mexican citizens:

Your humble servant,

L. L. FIERROS.

File No. 812.113/2135.

The Acting Secretary to the Mexican Chargé d'Affaires.

No. 279.] DEPARTMENT OF STATE,
Washington, April 30, 1913.

SIR: I have the honor to acknowledge the receipt of your note of the 8th of April, in which you request that this Government make known to the appropriate Mexican authorities all future exportations of explosives to Mexico, in order that the Mexican War Department may state whether or not there is objection to such exportations.

In reply I beg to inform you that this Government regrets that it is not practicable to accede to your request. The enforcement of the provisions of the joint resolution of Congress of March 14, 1912, made applicable to Mexico by the President's proclamation of the same date, is, from the point of view of this Government, a domestic matter, and this Government cannot, therefore, make its action in any way contingent upon the opinion of the Mexican Department of War as to whether or not a certain exception to the President's proclamation should be made.

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[1] This should probably read: "in our beloved country cease."

I beg to say in conclusion, and with particular regard to the exportation to Mexico of explosives, that this Government is scrupulously careful to examine the circumstances of each shipment thereof for which an exception is asked, and that no exception is granted when there appears to be any probability of its being used in any way to promote domestic disorder in Mexico.

Accept [etc.]

J. B. MOORE.

File No. 812.00/7443.

The Secretary of State to the Governor of Texas.

DEPARTMENT OF STATE,
Washington, May 13, 1913.

SIR: In reply to your letter of the 7th of April, quoting a report from Sergeant M. W. Hines, of the Texas Rangers, in regard to violations of the neutrality statutes of the United States at Eagle Pass, I have the honor to inform you that the Department has received from the Honorable J. F. Curtis, Assistant Secretary of the Treasury, a letter dated the 8th of May, the substance of which is as follows:

The Collector of Customs at Eagle Pass reports that Captain Biegler, Mr. Chas. R. Breniman, Special Agent of the Department of Justice, the Immigration Service, and the collector's office are in conference nearly every day in reference to the violation of the neutrality laws, and that neither of them believes there is any foundation in fact for the report that large quantities of arms and ammunition are being smuggled into Mexico, as alleged. The collector adds that while he does not deny that it is probable that there is some smuggling of arms and ammunition in a small way he believes it has not occurred to any great extent and that there is no reason for any alarm at this time.

The collector further reports that Captain Biegler has stationed some soldiers at the place about seventeen miles below Eagle Pass referred to by Sergeant Hines, since when, the collector is informed, everything has been quiet there.

I have [etc.]

For the Secretary of State:
J. B. MOORE.

File No. 812.00/7578.

The Governor of Texas to the Secretary of State.

GOVERNOR'S OFFICE,
Austin, May 19, 1913.

DEAR SIR: Your letter of May 13 by Counselor J. B. Moore, in reply to mine of the 7th of April in which I enclosed a report of Sergeant M. W. Hines of the Ranger Force, regarding the violation of the neutrality laws of the United States at Eagle Pass, is received.

I note what is said in the letter quoted from the Assistant Secretary of the Treasury with reference to the conferences held be-

tween the agents of the departments and the conclusions which they have reached.

I felt it to be my duty to call attention to the report made to me by one of our officers. The departments of the Federal Government have assumed the position that the State of Texas has no jurisdiction over the enforcement of the neutrality laws, and I think their position is correct and have instructed the officers of this State accordingly. Notwithstanding the request made of me by President Taft to aid him in enforcing the neutrality laws, I have asked the State officials to desist in their efforts to do so until further request by the head of the present administration. There is absolutely no doubt, however, in my opinion about the daily violation of the neutrality laws, both by the friends of the Constitutionalists and Huerta's followers.

Yours truly,

O. B. COLQUITT.

File No. 812.00/7577.

The Governor of Texas to the Secretary of State.

GOVERNOR'S OFFICE,
Austin, May 19, 1913.

DEAR SIR: I am in receipt of the following telegram from J. L. Pérez, Constitutionalist Commercial Agent at Naco, Arizona:

> For your information I wish to say that on this morning's train there were fifty-six boxes containing munitions of war consigned to the Huerta Government at Ciudad Juárez by express. I hereby respectfully beg you to kindly have (if it is within your State law) this shipment stopped until such time as our belligerency is recognized by the Government of Your Excellency at Washington, which I understand will be very soon.

I have advised him that the matter of enforcing the neutrality laws devolves solely upon the Federal Government. I am submitting his telegram to you for the information of your Department.

Yours truly,

O. B. COLQUITT.

File No. 812.00/7897.

The Confidential Agent of the Constitutionalist Government of Mexico to the Secretary of State.

WASHINGTON, *June 26, 1913.*

EXCELLENCY: Since the overthrow of the constituted Government of Mexico and the commencement of the present armed movement which has for its object the restoration of the constitutional order in that country, the Government of the United States has from time to time permitted the Huerta Government to purchase, in this country, for exportation to Mexico, large quantities of munitions of war, without which privilege it is doubtful if it could have sustained itself in power but for a brief period. But a like privilege is denied to the Constitutionalist Government, though it is confidently hoped, by

reason of the extent of territory now under its control and the respectable size of its military force, that it possesses attributes sufficient to justify the Government of the United States in giving consideration to certain observations that it desires to respectfully submit.

The act of Congress approved March 14th, 1912, as well as the proclamation of the President thereunder, contain the following:

That whenever the President shall find that in any American country conditions of domestic violence exist which are promoted by the use of arms or munitions of war procured from the United States and shall make proclamation thereof, it shall be unlawful to export, except under such limitations and exceptions as the President shall prescribe, any arms or munitions of war from any place in the United States to such country until otherwise ordered by the President or by Congress.

That "conditions of domestic violence" do exist in Mexico is a fact. It is also a fact that those conditions are being promoted and protracted by reason of an exception made in favor of the so-called Government of Mexico, of which Victoriano Huerta styles himself Provisional President, under which it is allowed the privilege of importing "arms and munitions of war procured from the United States." If that exception were withdrawn, or if the Constitutionalist Government were allowed a similar privilege, the duration of the present struggle would be materially diminished.

Taking constant advantage of this privilege, the Huerta Government, so I am advised, was recently enabled to remove from Laredo, Texas, to Mexican territory, to augment the ammunition supply of General Téllez, seventy-five cases containing mauser cartridges, and representatives of the same Government have recently brought to the identical place, four mountain guns for the purpose of conveying them across the border. These are merely two shipments, among a large number, that the Huerta Government has made and proposes to make. As the continued introduction of arms and munitions of war from the United States by the Huerta Government results in grave prejudice to the Mexican people as well as to the Constitutionalist cause, I am instructed to invite your excellency's attention to the matter, and to record an earnest protest against what would seem to constitute an unjust discrimination against the latter.

Please accept [etc.]

M. Pérez Romero.

File No. 812.00/10023.

The Mexican Embassy to the Department of State.[1]

[Memorandum—Translation.]

No. 69.]

The Consul at Naco tells the Inspector of Consulates at El Paso, Texas, the following:

That the American authorities at Naco, Arizona, continue to protect the rebels, and he bases the statement on the following facts:

That they cross the boundary-line with impunity carrying provisions and ammunition without being molested by the authorities; that they hold their revolutionary meetings in the saloon of John

[1] Referred, December 6, to the Attorney General and the Secretary of War.

Newell, Deputy Sheriff, without any measure whatever being taken by that officer, notwithstanding the Consul's vigorous protests: it is hard to explain how the contraband of munitions is so frequent and so large, in spite of the increased patrol, and how in the majority of cases contraband is done with automobiles which night after night and many times in the night come to Naco from Bisbee.

There is something else that can not be explained, and that is that when the secessionists attacked Naco, they opened their trenches or "loberas" within American territory more than one hundred feet north of the boundary-line and just at the place where it is marked by one of the monuments: of this the American officers hold photographic proof. That on the day of the final assaults, delivered on April 13 of this year the assailants effected their offensive march through American territory, taking advantage of the darkness of the night, and for that reason the defending troops refrained from firing their arms, naturally believing that they had to do with a patrol of American negroes, and were not undeceived until the assailants rushed into the town keeping up a heavy fire, which the patrol did nothing to prevent, proof of which can be produced in plenty, as several houses of Naco, Sonora, close to the boundary-line and facing north, bear unmistakable marks of the terrific musketry fire to which they were exposed. On that same day there was found in the yard of William Campbell's house that is parallel with the line the dead body of a rebel with his arms, hand grenades, etc., whose tracks showed he had come from that town, making toward the Mexican side; Justice of the Peace Edward A. Folsom had the body removed, speaking to Commander Obregón for the purpose.

These facts and many others seem to prove that the local authorities as well as the majority of the inhabitants of Naco, Arizona, are favoring the rebels.

Public opinion points to Justice of the Peace Folsom as the one who does them the greatest service.

MEXICAN EMBASSY,
Washington, November 26, 1913.

File No. 812.00/10317.

The Mexican Embassy to the Department of State.

[Memorandum—Translation.]

The Mexican Embassy in Washington is in receipt of the following information from Consular Inspector in El Paso, Texas:

The local authorities appear to have assumed an attitude which may be characterized as hostile against Mexican refugees in this city, showing, on the other hand, open partiality for the rebels who daily pass from Ciudad Juárez to El Paso without molestation; certain employees of the local police maintain relations and receive commissions from the rebel Junta which has placed spies around the building occupied by the Mexican Consulate, spies whose business it is to denounce the refugees who present themselves there.

MEXICAN EMBASSY,
Washington, December 3, 1913.

File No. 812.00/10265.

The Mexican Embassy to the Department of State.[1]

[Memorandum—Translation.]

On November 27, last, when the federal army attacked the town of Las Vacas, the leader, Roberto Rivas, and 45 of his men fled from the place and took refuge in Del Rio, Texas; and, when Captain Winterburn ordered the apprehension of the rebels by 75 of his men, who in their flight had swum the river on horseback, they were set at liberty after their arms, equipment and mounts had been turned over to the Customs officer; this being done in spite of the courteous protests of the Mexican Consul at the place, addressed to Captain Winterburn, whose aggressive replies it is not necessary to state.

Inasmuch as the said rebels were apprehended with arms in their hands and seeing that, on the occasions that federals were obliged to pass across the river between Brownsville and Eagle Pass they were detained by the authorities of this country and not only were their arms seized but they were also arrested in their quarters, it would appear that the processes which, in cases apparently identical, have been observed have been with prejudice to the federals.

MEXICAN EMBASSY,
Washington, December 15, 1913.

File No. 812.00/10316.

The Secretary of State to the American Consul at Nuevo Laredo.

No. 217.] DEPARTMENT OF STATE,
Washington, December 19, 1913.

SIR: The Department encloses herewith a translation of a memorandum, dated December 16, 1913, from the Mexican Embassy at this capital, stating that the authorities of Laredo, Texas, have forbidden transit to that place of all persons supposed to be connected with the Mexican Federal Army.

You are instructed to bring this matter to the attention of the Laredo authorities, and report to the Department if there is any foundation for the statements made in the memorandum.

I am [etc.]

For the Secretary of State:
WILBUR J. CARR.

[Inclosure—Memorandum—Translation.]

The Mexican Embassy to the Department of State.

The Mexican Embassy is in receipt of information to the effect that the authorities of Laredo, Texas, have absolutely forbidden transit to that town of all persons supposed to be connected in any manner with the Mexican Federal Army, not excepting the private individuals who form the Defensa Social

[1] Referred, December 18, to the Secretary of War.

in Nuevo Laredo, who are not allowed to cross from that side although they do not carry arms and wear no uniform, and only wish to cross for the arrangement of private matters, their interests being thereby injuriously affected.

MEXICAN EMBASSY,
Washington, December 16, 1913.

File No. 812.00/10317.

The Acting Secretary of State to the American Consul at Ciudad Juárez, Mexico.

No. 199.] DEPARTMENT OF STATE,
Washington, December 20, 1913.

SIR: The Department encloses a copy of a translation of a memorandum received from the Mexican Embassy at Washington, saying [quoting the language of the Embassy's memorandum of December 3].

You are instructed to bring this matter to the attention of the local authorities.

I am [etc.]

For the Acting Secretary of State:
WILBUR J. CARR.

PROTECTION OF AMERICAN LIFE AND PROPERTY IN MEXICO.[1]

NOTE. On September 15, 1912, the American Ambassador presented a note to the Mexican Government specifying many instances of crimes committed against the life or welfare of American citizens in Mexico by mobs, rebel and Federal soldiers and others, and demanding that measures be taken (1) to capture and punish the murderers of American citizens; (2) to stop discrimination against American interests; and (3) to bring about such general improvement of conditions as to prevent further molestation of Americans. (For. Rel. 1912, pp. 842–846.)

On November 22, 1912, the Mexican Government responded to this note declaring that it had not spared any effort to comply with its international duties, but recognizing the right of the United States to inquire into the nature of such efforts. (Id., pp. 871–877.)

The correspondence from that point largely consists of inquiries and replies concerning the safety of American citizens and other foreigners and reports of the protests and other representations made to the Mexican authorities in that connection. These are omitted as involving no exchange of representations between the two Governments other than those in the nature of routine. For the same reason the reports in reply to the series of instructions here printed, from consular officers and the Embassy, are also omitted. The instructions themselves are given in order to show the steps taken by this Government in its general plan of protecting American citizens in Mexico.

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[1] Continued from For. Rel. 1912; see p. 1379 of that volume for index of: "policy of the United States in protecting American citizens in Mexico;" "protection by the United States of American life and property;" and (p. 1378) "measures taken by Americans to protect themselves."

File No. 312.11/1001a.

The Acting Secretary of State to the American Consular Officers in Mexico.

DEPARTMENT OF STATE,
Washington, November 25, 1912.

GENTLEMEN: The Department desires to ascertain the extent to which American citizens resident in Mexico have suffered in their lives, peace and property as a result of the disturbed conditions prevalent throughout Mexico for the last two years, to be apprised of the wrongs for which no redress has been furnished that have been suffered by them and to which the passage of time but adds an intensity of degree, and to be informed of the measure of protection, if any, that has been afforded them generally and in specific instances by the Mexican Federal Government. You are instructed, therefore, carefully to review the correspondence on file in your office since October 1, 1910, and earlier correspondence wherever necessary, and to submit to the Department, at the earliest time compatible with a thorough compliance with the requirements of this instruction, a succinct but comprehensive report on these matters in accordance with the accompanying directions,[1] which should be carefully studied. These directions have been so prepared as to cover the entire field. It will be obviously unnecessary, therefore, to do more than to comply with them in so far as they are applicable to the peculiar circumstances of the instances of murder, death, hardships, annoyances, et cetera, that have occurred in your district. Your report should be prepared in as compact and neat a form as possible, your various statements being made to follow the sequence of the heads given in the directions, so far as possible, and being so arranged and numbered as to make them easily identifiable.

Your report, when sent to the Department, should consist of the following papers:

First. A list of the murders that have occurred in your district.

Second. The histories of the various cases of murder, each history being made a separate document, and all the documents being placed together.

Third. A list of deaths incident to the existence of the revolution and its attendant state of war.

Fourth. The histories of the various cases of such deaths, each history being made a separate document, and all the documents being placed together.

Fifth. A list of hardships and annoyances.

Sixth. The histories of the various cases of hardships and annoyances, each history being made a separate document, and all the documents being placed together.

Seventh. A list of property losses.

Eighth. The separate histories of the various cases of such property losses, each history being made a separate document, and all the documents being placed together.

Ninth. A brief statement of instances of constructive losses.

Tenth. A brief statement of claims cases.

[1] Not printed. The directions consist of minutely detailed amplification of the eleven points enumerated in this instruction.

Eleventh. A statement of the general conditions under which Americans in Mexico have been obliged to live since the beginning of the present revolutionary unrest, and the sufficiency or insufficiency of the measures taken by the Federal Government in the conduct of its operations against the insurrectionists, and to afford protection to American life and property.

I am [etc.]

For Mr. Huntington Wilson:
WILBUR J. CARR.

File No. 312.11/1048.

The American Ambassador to the Secretary of State.

[Extract.]

AMERICAN EMBASSY,
Mexico, January 18, 1913.

MY DEAR MR. KNOX: * * *

The draft of the note[1] sent hither by the Department of State to be transmitted by this Embassy to the Mexican Government marked a distinctly new departure in our dealings with this Government and the questions arising out of the situation which exists here. In that note, which differs only from an ultimatum in that it contains no prescribed limitation of time for the performance of the demands made, we clearly and fully recited our grievances against Mexico and in a number of cases demanded specific performance. Having assumed this position and having stated clearly to the Mexican Government that unless compliance with the demands made therein was forthcoming we would feel compelled to take such steps for the protection of our rights as might seem proper to us, we can not, with due regard for our dignity, prestige and consistency, retrace our steps, ignore the formal diplomatic exchanges, and reappear before the Mexican Government in the light of a humble supplicant. Our note of September 15 was undoubtedly carefully considered in all of its bearings by the Department before its transmission to the Mexican Government and it must have been understood at that time that there could only be one of two conclusions resulting therefrom, viz, either the Mexican Government must yield, repair the damages it has done to us, and give clear guaranties for the future or we must take some vigorous and drastic action with the purpose of securing redress for our wrongs, an abatement of the situation, and perhaps, incidentally, the downfall of a Government which is hateful to a vast majority of the people of this country and which has given us innumerable evidences of its bad faith, inefficiency, hostility and insincerity.

I wish to make my own views quite clear here. I do not believe in the occupation of Mexico nor do I believe in or advocate the acquisition, either justly or unjustly, of a single foot of Latin-American territory. On the contrary, I am and have been since I have had an opportunity to study Latin America and Latin-American conditions from an unusually advantageous position more and more impressed with the circumstance that the government of these coun-

[1] For. Rel. 1912, p. 835. It was embodied in the note of September 15, 1912.

tries, alien in speech, customs and race, is, under our form of government, a most difficult enterprise and that each new burden which we assume and each new adventure which we essay leads to the creation of additional burdens and the invitation to more perilous adventures. At the same time my experience has taught me that these Latin-American countries should be dealt with justly and calmly but severely and undeviatingly. Any other course will bring disaster and forfeit to us, in the estimation of these peoples, the respect and awe with which they have been taught to regard us and will sacrifice the genuine benefits which spring from a consistent, firm, and well-understood attitude on all international affairs.

I am of the opinion that all the matters treated of in our note of September 15 must be made parts of a direct settlement with Mexico growing out of the diplomatic correspondence based thereon, and that any other course will be tantamount to a sacrifice of national dignity and prestige. The draft of the note verbale or memorandum which is transmitted as inclosure No. 1 of this despatch expresses briefly, but I think clearly, what our position is or should be in the light of the Mexican Government's reply[1] of November 22 to our note of September 15. It may be amended, amplified, or changed to suit the Department's views as to phraseology, but it expresses, in my judgment, the logical position at which we have arrived as a result of our note of September 15. Of course the Department will understand that unless the delivery of this proposed note should obtain satisfaction from the Mexican Government we must then adopt one of the several drastic courses which have been under consideration by the Department, and which in my judgment—though perhaps necessarily delayed by patience, a repugnance to extreme measures, a reluctance to engage in adventurous sallies, and a natural fear of misinterpretation of our motives—must finally be adopted in the interest of peace in America and the protection of our own interests.

The memorandum inclosed with this dispatch, and numbered 2, was prepared by Mr. Schuyler. It is not intended as an alternative with the inclosure No. 1, but simply for the use of the Department in indicating the Embassy's views upon some of the points raised by the Mexican reply to our note of September 15.

I am [etc.]

HENRY LANE WILSON.

[Inclosure 1.]

DRAFT MEMORANDUM.

For a period of more than two years now the Republic of Mexico has been in a state of revolution, first against the long-established Government of President Díaz and subsequently against that of President Madero. During all of this long period a state of anarchy, intermittent, sporadic, and rising and falling as the tides, has prevailed through a large part of the territory supposedly under the control of the Mexican Government, and for the administration of which it is responsible not only to its own citizens, but, under accepted principles of international law, to the nations of the world, which, upon the invitation of Mexico, have sent their nationals and their capital hither, relying upon the ability of this Government to afford to both the usual safeguards guaranteed by civilized states.

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[1] For. Rel. 1912, pp. 871–877.

The present revolution, which began under the Presidency of General Díaz and which has continued without intermission to the present hour, has brought neither order, peace, prosperity nor happiness to the Mexican people. On the contrary, there has been a vast sacrifice of human life, enormous destruction of property, a riot of barbarity and inhuman savagery, throughout large parts of the Republic. Government and the law have ceased to be respected, and general and local administrations are helpless and impotent to deal with a situation of constantly increasing gravity and which has become a menace not only to the material interests of foreigners who have invested their money in Mexico and contributed to the development of the material resources of the Republic, but it has also placed in jeopardy and in numerous cases actually sacrificed the lives of foreigners who must necessarily rely upon the Government for protection.

The American Government, though embarrassed by obsolete neutrality laws, honestly endeavored during the revolution against the Government of General Díaz to discharge its full obligations toward the recognized government of a friendly state. When the Government of General Díaz fell and was succeeded by the administration of President Madero, the American Government promptly recognized its duties in the new order of things and, by word and deed, gave its loyal and friendly support to the Government which it understood to be the choice of the Mexican people. Not content with these ordinary demonstrations of good will, and believing that by so doing it would contribute in no inconsiderable measure to the restoration of peaceful condition in Mexico, it amended its neutrality laws and in conformity therewith, and for the proper execution thereof has maintained upon the Mexican frontier since February, 1911, a military force varying in number from ten to forty thousand men, and has, moreover, at a great expense, and to the detriment of other localities, kept there a not inconsiderable number of extraordinary employees of the Departments of Justice, Labor, and the Treasury, expecting no other recompense for the sacrifices incurred than the grateful appreciation of the Mexican Government, the just treatment of American citizens, and the protection of their lives and property against the assaults of the elements of disorder, the tyranny of local administrations, and the collusive confiscatory intrigues of those who, being unable to lay up fortunes by industry, toil and intelligence, find it both convenient and popular to prey upon the foreigner who has brought hither his thrift and his capital.

At the beginning of the revolutionary movement there were in Mexico somewhere between fifty and seventy-five thousand American citizens, and American capital invested to the extent of probably a billion of dollars. As the revolution progressed it became evident, not only to the official representatives of the Government of the United States in Mexico but to all observing and patriotic Americans, that there existed a strong anti-American sentiment among a large number of the more ignorant part of the population of Mexico, a sentiment which if not in some measure shared by the Mexican Government was at least not discountenanced or reproved by it. In no single instance that can be recalled has an official of the Mexican Government voiced an appreciation of the unselfish attitude of the American Government and people or expressed the smallest measure of gratitude for the material benefits which American intelligence and energy and American capital has bestowed upon this country. On numerous occasions, however, public orators, the press, and all the organs capable of influencing public opinion have been busily engaged inflaming the public mind and in rendering more dangerous the lot of Americans and the safety of their properties in Mexico. This lack of sound and civilized public policy has borne its fruit, as might be expected, in a wide and indiscriminatory attack on everything bearing the stamp of American origin. American interests honestly acquired, and on which vast amounts of capital have been expended, have been attacked on a wide scale on baseless and absurd pretexts by persons in collusion with friends of the Government and have been harassed by confiscatory taxes and by the denial of that protection which the most elemental conceptions of government would afford them.

American citizens to a great number have been arrested on frivolous and insufficient charges and incarcerated in filthy and uncivilized jails, from whence neither the protests of our own Government nor the palpable and proven injustice of their imprisonment could release them. American citizens have been foully and brutally murdered, and neither diplomatic representations, entreaties or threats have served to procure the trial or punishment of the offending

criminals; their property destroyed, with only a deaf ear turned to their complaints and with a denial of that justice in the consideration of their claims which is incumbent upon all civilized nations. To such an extent has this persecution passed that today probably 15,000 of them have been obliged to abandon their homes, their factories, their mines and their haciendas and to return to the United States, and their property which has been sacrificed or damaged, along with that of other American financial concerns, has now reached a sum of vast proportions, which, if all present indications do not fail, the Mexican Government has no intention of recognizing its responsibility for.

On the 15th of September, 1912, the Government of the United States, after a long, prudent and patient series of representations to the Mexican Government touching individual causes of complaint, addressed a most vigorous and direct but nevertheless friendly note to that Government setting forth in a general way its dissatisfaction with the situation set forth above and supporting its averments by the citation of many, but not nearly all, of the cases which gave ground to its complaint. The purpose of this note was to recall the Government of Mexico to a realization of its unfulfilled obligations and to an appreciation of the dangerous situation which it was confronting not only with reference to the American Government, but to all other governments having substantial interests in that country. The American Government permitted itself to believe that the Mexican Government would heed this solemn but friendly warning and bestir itself in a practical and evident way to procure a betterment of the evils complained of. The hope was indulged in, having in mind our patient attitude, that the answer of Mexico to our just and reasonable demands would be moderate, conciliatory and specific. On the contrary, it has been obliged to note with the greatest regret and distress that Mexico, far from appreciating the grave and solemn warning contained in our note, delayed its reply for a period suggestive of intentional discourtesy, and that the answer which it finally gave was evasive, disingenuous, frivolous, at variance with the facts, illogical in its conclusions, and lacking in that seriousness of tone and dignity of utterance which should characterize the diplomatic exchanges of governments seeking the support of a just cause before the world. The averments contained in the Embassy's note of September 15 are each and every one of them sustained by positive and unequivocal evidence which will stand the test of revelation to the world and the judgment of history. The performance of exact justice in each and every instance is insisted upon by the Government of the United States.

In addition to the specific complaints which were set forth in its note and which the Government of the United States has not the least intention of abating or subtracting from and for the righting of which it demands and will expect specific performance, it must, having due regard for the responsibilities with which it is charged, call the attention of the Mexican Government to the deep apprehension of the American Government and people that the present administration will not be able to successfully cope with the armed revolution and the sporadic and widespread brigandage which has now for some two years been existent within its territory.

Notwithstanding repeated assurances of the procurement by the Government of positive and definite results, and in spite of the optimistic appreciations of the situation which have been actively spread abroad through the world, the revolutionary movement continues, brigandage grows apace, the destruction of property increases, and the economic situation has become an immediate menace. Independently of the losses and sufferings incurred by American citizens, the Government of the United States can not for a much longer period, having due regard for the peace and order of this continent, permit a savage and desolating war to continue at its threshold. The Government of the United States recognizes that within certain sound and established limitations every sovereign government has the right to put its own household in order, but it can not commit itself to the principle that a cruel and devastating warfare, the sole object of which, as nearly as can be judged by an impartial opinion, is the gratification of the rival ambitions of aspiring chieftains, can be carried on in territories contiguous to it for an indefinite period.

Finally, and in the exercise of its great patience, preferring to secure redress and an amelioration of conditions through methods and by an attitude in keeping with its constant and undeviating policy with all nations of the world, the American Government solemnly and firmly, but none the less in a friendly spirit, adjures and warns the Mexican Government that there must be a just and prompt adjustment of the grievances set forth in its note of September 15 and

that substantial guaranties of future protection to American life and property against armed violence, against malicious intrigue, against antiforeign sentiment, shall be given, and that those who take American life and American property shall be swiftly pursued by justice and punished adequately and quickly by competent courts.

[Inclosure 2.]

DRAFT MEMORANDUM.

The following facts are brought to the attention of the Mexican Government in reply to its note of November 22, 1912, which was itself an answer to the Embassy's note of September 15.

The Mexican Government, referring to the specific cases of murder of American citizens in Mexico which had not received adequate action nor proper punishment from the Mexican Government, tabulated ten cases. An endeavor was made to extenuate several of these on the ground that they occurred under the previous administration of President Díaz. The Government of the United States can not, however, admit that a change of administration is sufficient reason for a complete stopping of the course of justice nor is any reason known why the present administration should not exert itself to the utmost to mete out adequate justice in these cases. Some of the reasons given in the note of the Mexican Government are as follows:

Case of Waite, "investigation still in progress".
Case of Crumbley, "assailant's whereabouts unknown".
Case of Ayres, "arrest of murderers impossible".
Case of Krause, "murderer not found".
Case of Ellick, "murderer escaped".
Case of Lockhart, "rebels have prevented investigations".
Case of Hidy, "no results; lack of data".

Such excuses given by a sovereign state for seven out of ten cases of murder brought to its attention by a foreign government would seem to indicate the necessity for the establishment and maintenance of such a form of government as would be able to afford proper protection to foreign interests. The further statement made by the Mexican Government that it is impossible in many cases to arrest and punish criminals on account of the great extent of Mexican territory and the scarcity of population in many sections of the country must undoubtedly have weight, but it is not thought that the extent of territory was less under the previous administration nor has the population sensibly diminished since that time.

So far as the United States Government is aware no action of any kind has been taken by the Mexican Government since the receipt of the note of September 15—a period of four months—either to apprehend or even to locate the criminals guilty of these murders. The entirely inadequate reasons for such failure can only be regarded by the United States as a willful disregard of the rights of foreigners in Mexico and of the obligations of a sovereign state to enforce order and to administer justice in its dominions. The Government of the United States regrets that it must inform the Mexican Government that it will no longer tolerate such flagrant disregard of international obligations and that, unless a written promise to take immediate steps to obtain satisfactory action be furnished, the Government of the United States will unavoidably and regrettably find itself under the necessity of protecting the lives and interests of its citizens in Mexico in the manner which shall seem best under the circumstances.

It is unfortunately true that certain Mexicans have been murdered in the United States and in several instances, extending over a number of years, the murderers have not been punished. This fact the American Government deplores as much as can the Mexican Government, and is, and has been, at all times ready to afford the promptest justice to Mexicans or other foreigners in its territory. It should, however, be pointed out that in the majority of cases the Mexicans who have lost their lives in the United States were killed as the result of having taken part in disorderly or illegal occurrences.

The Government of the United States can not refrain from expressing the stupefaction with which it found in the note of the Mexican Government, in reply to the demands made in its note for concrete action in the cases of Foster,

Glennon, and Carroll, which demands had frequently been made not only during the entire term of President Madero but under the administration of Mr. de la Barra as well, the extraordinary statement that these men were accused of being filibusters. The Government of the United States has made two separate investigations of this entire matter with the utmost care before bringing it to the attention of the Mexican Government, and the amazing allegation of the latter concerning this absurd charge at this late day inevitably suggests that up to that time the Mexican Government had not even taken the trouble to investigate this case for itself. Too serious attention can not be drawn to those diplomatic methods which would allow the discussion of such an important matter to continue for two years and at the end of that time in a general note make to the other Government the absurd and utterly unwarranted charge which has been made in this case.

With reference to the anti-American spirit which exists not only among the Mexican people but among Mexican officials as well, concerning which the Mexican note stated that the "enormity" of the charge obviated the necessity for a reply, it should be pointed out that the information on this matter in the possession of the Embassy is naturally more complete and more accurate than that which could be known to the Mexican Government, since almost daily reports are being received from different parts of the country indicating specific instances of such unjust and discriminatory action. Not only is this seen in cases of obvious collusion between judicial officers and interested litigants, such as the Butler case, but also in many recent criminal matters where the sympathy of the judge or magistrate is quite apparently on the side of the Mexican involved. Among recent examples in criminal cases is the familiar case of the American citizens Koch and Lundquist, arrested in Lower California on the accusation of stealing guano from an island on which they had been wrecked. Delay after delay occurred in this trial, and when the prosecuting attorney finally declared that there was no "charge" against these men they had already suffered a longer imprisonment than if they had actually been convicted of the offense with which they were charged. Another and more recent case, that of Mr. O. J. Langendorf, of Parral, Chihuahua, who was arrested for alleged complicity in the killing of the chief of police of that place, is even worse. The evidence in this case shows that police entered the mine, of which Mr. Langendorf was superintendent, at night in search of ore thieves, and without disclosing their identity met a party of the employees, who were also looking for the thieves, with the result that in the dark the chief of police was regrettably shot and killed. Although the evidence showed that Mr. Langendorf's weapon had not been discharged, he was nevertheless arrested and held "incomunicado" for a number of days without bail, while eight of the ore thieves, who had been captured at the same time, were promptly released, in spite of the fact that seven of them were captured in the mine *in flagrante delicto* and another one was captured at the mouth of the tunnel holding a burro upon which the stolen ore had been loaded. Of the guilt of these thieves there could be no possible doubt, while there was no evidence whatever to show that Mr. Langendorf had shot the chief of police.

The above instances, taken from many, suffice to show the anti-American spirit of many minor Mexican officials. From the nature of the case it is obvious that such actions would naturally occur among the lower and less scrupulous officials, who, perhaps not unnaturally, would hesitate to inform the Federal Government or even their own superiors that they had acted in an illegal manner or even with an anti-American bias.

With regard to the third portion of the note of September 15, in which was pointed out the condition of anarchy and chaos through which Mexico is passing, the Government of the United States regrets to have to say that in the period of time since that note was written not only have the conditions regarding safety of foreign life and property not improved, but, in many places, they have actually grown worse until, in many parts of the country, no American citizens dare longer to reside even for the proper protection and supervision of their properties. While in certain districts an evident improvement is to be noted, in other and more important districts there are practically no American residents left even in those places where formerly there were numerous and flourishing colonies of Americans who contributed in no small degree to the prosperity of Mexico.

The American Government, actuated by the friendliest feeling toward the new administration which had succeeded that of General Díaz, was content to wait

with unexampled patience until the necessary period of disturbance incident to the establishment of a new régime founded on principles which, in so far as Mexico is concerned, were new and untried should have passed over and the new administration should have had a full and sufficient opportunity to root itself firmly in the respect and support of the Mexican people. At the present time, however, the American Government, which, time after time, has given the most signal proofs of long suffering and hard-tried patience, must, in spite of the repeated declarations of responsible members of the Mexican Government that all revolutionary disturbances have disappeared from the country, in spite of the repeated promises of the authorities made on the repeated demands of the American Government in countless instances for the protection of its citizens and their interests in Mexico, take this occasion to say, in the most earnest manner, that conditions in a large portion of Mexican territory are such—and among specific localities should be cited the States of Durango, Chihuahua, and Mexico, with large parts of the adjacent States—that, in view of the immense American interests in those places, it must, while disclaiming and deprecating any hasty action, place itself on record in this formal way by declaring to the Mexican Government that so little hope is entertained of the restoration of normal conditions in the above-mentioned regions in the near future that it reserves to itself the right to take such action for the protection of its citizens and their interests as shall seem necessary and proper.

The statements made in the American note of September 15 concerning the practically confiscatory interference with and hindrance of American corporations doing business in Mexico are as true today as they were then. So far as the American Government is aware nothing whatever has been done by the Mexican Government toward rectifying the discriminatory practices against these corporations complained of in that note. The American Government desires once again to protest in the strongest terms against what it described before as a predatory persecution amounting to confiscation. Not only have these annoyances and persecutions not been discontinued, but they have been aggravated in certain instances, one of the most familiar of which is that of the Hacienda de Cedros. That company possesses a vast property in the State of Zacatecas which is not given the military protection which the constant depredations of the rebels demand, but, on the contrary, is so loaded down with unbearable taxation that its life is being taken with the connivance and evident approval of the local authorities. It is regrettably true that the real reason for these abuses is the desire on the part of certain highly connected Mexicans to be able to purchase the property at a small portion of its real value.

The American Government has been invariably patient and kind with the present administration of Mexico and, as must be patent to any impartial observer, has on every possible occasion shown its good will toward Mexico and the Mexican people. In return for this extreme forbearance during the past two years its citizens have been murdered with impunity; their interests and their properties have been raided and destroyed, in many cases without the slightest protection, even when, as has several times happened, neighboring properties owned by officials of the present Government have been promptly and adequately protected; American women have been violated in several instances and in none of these have the assailants been punished. The just, temperate and patient representations and protests of the American Government have been met with cynical indifference and absolute lack of sincerity underlying the profuse promises, both written and oral, of immediate and satisfactory action which have been given to representatives of the United States in their vain endeavors to secure simple justice for American citizens and their interests.

In view of all the above the American Government is reluctantly forced to state that should there not be observed an immediate improvement in the attitude of the present Government of Mexico toward American interests it will be obliged to withdraw its troops from the border, to allow the resumption of traffic in arms and ammunition across the border without restriction, and to cease its efforts to keep justly indignant foreign nations who have suffered much from Mexico in the last two years from insisting on that reparation for their wrongs which up to now only the attitude of the United States has been successful in restraining.

File No. 312.11/1073.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico City, February 12, 1913—noon.

The Embassy is crowded with Americans driven from their homes by the firing or the occupation of their homes by troops. Their number will doubtless increase and other nationalities will probably seek the Embassy's protection. As the resultant sanitary conditions would become intolerable, I am distributing the majority among adjoining houses, keeping here only those for whom there are beds or sofas. I desire to be instructed whether I am authorized generally to supervise and care for these people.

WILSON.

File No. 312.11/1073.

The Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 12, 1913—midnight.

Your February 12, noon. You will advise, assist and generally supervise American citizens as far as possible and helpful. You are authorized, if necessary in succoring Americans lacking funds, to draw on the Secretary of State, within the limit. Draw in the first instance $10,000; take receipts for advances.

Secondarily, after consultation with your colleagues, take a similar course with regard to other foreigners as far as desired and appropriate.

Do all you can to persuade Americans and other foreigners to keep away from firing zone.

KNOX.

File No. 312.11/1048.

The Secretary of State to the American Ambassador.

DEPARTMENT OF STATE,
Washington, February 15, 1913.

SIR: The Department has received your despatch of the 18th of January transmitting two memoranda prepared in compliance with the Department's telegraphic instruction of the 11th of the same month, and has sent copies of your despatch and its enclosures to the President.

I am [etc.]

P. C. KNOX.

NOTE.—There is apparently no further reference to these memoranda in the correspondence.

NOTE.—On February 21 the Department, instructing the Ambassador as to recognition of the Provisional Government, relates that matter to the present subject and to Claims. See pp. 728–729.

File No. 312.11/1354A.

The Secretary of State to American Consular Officers in Mexico.

[Telegrams.]

DEPARTMENT OF STATE,
Washington, April 23, 1913.

Department's instructions of November 25, 1912. Prepare a supplementary report, bringing up to date the general report made by you in compliance with those instructions.

BRYAN.

File No. 312.11/1478a.

DEPARTMENT OF STATE,
Washington, June 4, 1913.

[SUMMARY.—Requests the names and locations of settlements and communities of American citizens other than those within the larger centers of population, including ranches and mining camps—such as might be styled American colonies—with approximate numbers of their population; and the number of American citizens and families living apart from settlements in comparative isolation. This report is to be supplementary to the reports made in compliance with the Department's instruction of November 25, 1912.]

BRYAN.

File No. 312.11/1887a.

DEPARTMENT OF STATE,
Washington, August 8, 1913.

In order to bring down to date the information in the Department's possession you will prepare at once a supplement to your reply to the instruction of November 25, last, bringing information down to August 20, 1913, and mail as early as practicable after that date.

Revise in separate report reply to instruction of June 4, 1913, including cities and large centers of population. Add sketch or map showing geographical location of American citizens, their means of communication, whether by railroad or otherwise, and mail as early as practicable after August 20. In latter case report should be made by cantons, and in both cases should cover entire district including that part under supervision of consular agents.

Keep in touch with Americans and have them notify you promptly should they leave your district.

BRYAN.

File No. 312.11/1887b.

DEPARTMENT OF STATE,
Washington, August 9, 1913.

Forward immediately report called for by Department's telegram of April 23, 1913.

BRYAN.

File No. 312.11/1887a.

The Secretary of State to American Consular Officers in Mexico.

DEPARTMENT OF STATE,
Washington, August 16, 1913.

GENTLEMEN: The Department confirms its telegram to you of August 8, 1913, directing that you submit a report supplementing the information now in the Department's possession, submitted by you in reply to the instruction of November 25, 1912, relative to American citizens and their property in your district. This information should be brought down to August 20, 1913.

You will also revise in a separate report the reply submitted by you to the Department's instruction of June 4, 1913, giving the names and locations of settlements and communities of Americans, and you should include in your report a statement of the number of Americans in cities and large centers of population. As requested in the telegram, you will add to this report a sketch or map showing the geographical location of American citizens and means of communication, whether by railroad or otherwise. In the latter case your report should be made by cantons, and in both cases should cover the entire district, including that part under the supervision of consular agents.

The Department desires to have in its possession complete information as to Americans in Mexico, and that this information be kept up to date in order that such Americans may receive, if necessary, such protection and assistance as it may be possible to give them.

You will accordingly submit a tabulated statement giving the number, names, location and condition of all Americans in your district on August 20, 1913.

You will also arrange to keep in touch with Americans in your district and to have them notify you promptly in the event that they shall leave your district, giving you the name, date, route to be traversed, and destination. This information should at once be forwarded to the Department upon the enclosed form. Similarly, you will notify the Department of the arrival of Americans in your district.

In order that the Department's information may be as complete as practicable, you should add to your report, giving the list of Americans in your district, such comments as may seem appropriate to you as to the manner in which various American citizens could be reached in case of necessity, and the approximate cost of transporting them to the United States if it should become necessary for them to leave Mexico.

I am [etc.] For the Secretary of State.
WILBUR J. CARR.

File No. 312.11/2120a.

The Secretary of State to American Consular Officers in Mexico.

[Telegram.—Paraphrase.]

DEPARTMENT OF STATE,
Washington, August 27, 1913,—10 p. m.

The President directs me to send you the following notice to Americans and warning to the authorities, in view of the possibility

of increased activity of the contending factions in Mexico and therefore increase danger to noncombatants:

First. Earnestly urge all Americans within your Consular district to leave Mexico at once, informing them that the Government will assist them in every possible way, providing ships at the most accessible ports for those who are near to seaports. Those inland should make their way to the American border or to a seaport as soon as possible. All who need it will be given pecuniary assistance.

Second. Notify all civil or military officials exercising authority in any part of your Consular district that this Government will hold them strictly responsible for any harm done to Americans and for any injury done to American property by them or by those acting under them. In case a change in authority takes place, you will bring this notice to the attention of those who may assume authority.

You will convey to the authorities an intimation that any maltreatment of Americans is likely to raise the question of intervention.

BRYAN.

File No. 312.11/3047a.

The Acting Secretary of State to the American consular officers in Mexico.

[Telegram.]

DEPARTMENT OF STATE,
Washington, December 26, 1913—6 p. m.

Prepare and transmit continuation to January 1, 1914, of report called for in first paragraph of instruction of August 8th last.

J. B. MOORE.

PROTECTION BY THE UNITED STATES OF SPANISH, FRENCH, GERMAN, CHINESE AND JAPANESE SUBJECTS IN MEXICO.

GENERAL POLICY.

File No. 812.00/6102.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, February 12, 1913.

The district in which foreign colonists reside is now in the direct line of dangerous firing. The houses of many Americans have been seized and occupied by Federal forces as firing stations. I have protested in most vigorous terms directly to the President against this barbarous warfare in the heart of the city, and also against the apparently malicious attack on the American Consulate-General.

I have instructed consuls at ports where there are United States war vessels to extend protection to German subjects.

WILSON.

File No. 812.00/6102.

The Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 13, 1913.

Last paragraph of your February 12. Protection should be given, whenever feasible, to all foreigners and not be confined to those of one nationality. You will so modify your instructions to consuls at ports where there are United States war vessels.

KNOX.

File No. 312.11/1123a.

The Secretary of State to the Secretary of the Navy.

DEPARTMENT OF STATE,
Washington, February 17, 1913.

SIR: With reference to the recent despatch to Mexican waters of various naval vessels which are under orders to observe and to report upon the situation, with particular reference to the protection of foreigners and foreign interests, I have the honor to say that this Department, in replying to the inquiries of various foreign missions at this capital as to whether protection would be extended to their nationals, has stated that after Americans and American interests have been provided for such assistance and protection would be extended to other foreigners and foreign interests as might be possible under the circumstances.

It seemed a matter of course that such a reply should be made, but since the Department has been unofficially informed by your Department that there is no specific rule among the Navy Regulations governing this matter, I have the honor to say that the Department would be glad to have the commanders of the various vessels in Mexican waters instructed to afford, after Americans and American interests have been adequately provided for, such assistance and protection to foreigners and foreign interests as may be possible under the circumstances.

I have [etc.]

P. C. KNOX.

File No. 312.11/1142.

The Secretary of the Navy to the Secretary of State.

DEPARTMENT OF THE NAVY,
Washington, February 18, 1913.

SIR: I have the honor to acknowledge the receipt of letter dated February 17th, 1913, from the Department of State, requesting that the commanding officers of naval vessels in Mexican waters be instructed to afford, after Americans and American interests have been

adequately provided for, such assistance and protection to foreigners and foreign interests as may be practicable under the circumstances.

I have to state that instructions in substance to this effect were sent by cable to the various vessels on February 15th.

Respectfully yours,

G. v. MEYER.

File No. 312.52/2.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico (not dated; received March 4, 1913).

73. I have instructed the Consul at Piedras Negras (Ciudad Porfirio Diaz), Coahuila, to give to Spanish subjects in his district such protection as may be consistent and necessary. This action is taken at the request of the Spanish Minister.

WILSON.

File No. 312.52/2.

The Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, March 5, 1913.

Your telegram 73. You may inform the Spanish Minister of the following instruction to the Consul at Eagle Pass.[1]

Your telegrams[2] relative to the situation of foreigners in Ciudad Porfirio Diaz and the measure of protection that should be afforded them by you. In connection with your first duty, to insist upon the protection of Americans and their interests, you are authorized to use your good offices in all proper cases to assure so far as possible the safety, efficient protection and welfare of other foreigners in your district, and you may use such good offices in gaining the acquiescence of the local authorities in any just requests made by other foreigners in so far as you may be desired to interest yourself in such matters. As to the refusal to allow foreigners to leave, you may informally and unofficially but none the less earnestly say to the local authorities that this Government regards such procedure as absolutely irregular and unwarranted in the circumstances and that the foreigners should be immediately permitted to leave if they desire to do so and should, indeed, be given all possible facilities and protection in their movements.

BRYAN.

File No. 812.00/9275.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, October 18, 1913—3 p. m.

564. The German Minister requests me to make urgent representations to my Government regarding the 40 Germans detained in Tor-

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[1] Opposite Piedras Negras (Ciudad Porfirio Diaz). [2] Not printed.

reón by Francisco Villa, who he states is permitting American citizens to depart, but has informed the other foreigners that he will hold them hostages against an attack by the Federal forces. The Minister states that he has been sure that the United States Government can and will use its unofficial good offices with the rebel leaders to the end that these German subjects may be immediately released. The other foreigners in Torreón whom Villa refuses to release are 7 Englishmen, 40 Frenchmen, and great number of Spaniards and Italians.

NELSON O'SHAUGHNESSY.

File No. 812.00/9275.

The Secretary of State to the American Chargé d'Affaires.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, October 19, 1913.

Consular Agent at Torreón instructed to make clear to the rebel authorities that all foreigners desiring to leave should be permitted to do so unmolested. The Agent was also instructed that the same protection we extend to American citizens should be extended to nationals of foreign nations.

BRYAN.

File No. 812.00/9952.

The American Consul at Ciudad Juárez to the Secretary of State.

[Telegram—Extract.]

EL PASO, TEXAS, *November 23, 1913.*

No reliable news from Chihuahua City, but the general impression is that it will fall into the hands of the rebels without battle.

EDWARDS.

File No. 312.62/35.

The Acting Secretary of State to the American Consul at Ciudad Juárez.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, November 29, 1913.

Department desires you to express informally to Villa the importance of his taking the utmost care to afford adequate protection to the lives and property of all foreigners residing in the territory under his control.

OSBORNE.

PROTECTION OF SPANISH SUBJECTS.

SPANIARDS IN NORTHERN MEXICO.

File No. 312.52/38.

The American Chargé d'Affaires to the Secretary of State.

No. 2099.] AMERICAN EMBASSY,
Mexico, October 20, 1913.

SIR: I have the honor to transmit to the Department herewith copies as well as translations of two letters received by me under date of October 16th, from the Spanish Minister here. The Spanish Minister has since informed me that several more of the Spaniards have met their death at the hands of the so-called Constitutionalists of the North.

I have [etc.]

NELSON O'SHAUGHNESSY.

[Inclosure 1.—Translation.]

The Spanish Minister to Mexico to the American Chargé d'Affaires.

SPANISH LEGATION,
Mexico, October 16, 1913.

MY DEAR COLLEAGUE: All the informations available from different sources and places agree in recognizing that the ill-will and propaganda against the Spaniards comes from certain revolutionary elements, and perhaps now in the first place from Don Venustiano Carranza and his brother Jesús, who, I am told, have issued special orders to that effect in the campaign against Torreón.

I renew [etc.]

B. J. DE COLOGÁN.

[Inclosure 2.—Translation.]

SPANISH LEGATION,
Mexico, October 16, 1913.

MY DEAR COLLEAGUE: With reference to your suggestion and my offer of last night, I must again tell you that I have been unable as yet to obtain absolutely exact information regarding the Spaniards assassinated by the rebels.

There remains no longer any doubt that on September 26, nine Spaniards were assassinated on the hacienda "Palomar" in the most cruel manner, having been forced to dig their own graves, one by one, before being shot; a thirteen-year-old boy was apparently among them. Captain Felix Ramirez, of the forces of Francisco Villa was responsible for this act. According to information from other sources, four or five others were murdered in that vicinity, but I have as yet no confirmation of this.

A Spaniard saved his life in Tlahualilo by giving $10,000 which Francisco Villa received, but the latter ordered his men to return to the place and kill the Spaniard; as he had already fled, they arrested a sick clerk and executed him. Another Spaniard, from a ranch in the vicinity, saved his life by giving $500 to a captain, whom Villa had executed after receiving the money for not having complied with the general order for killing them.

It is asserted that three Spaniards were assassinated in Mapimi; and in Torreón, according to information up to the 7th instant, one or two Spaniards died, but no information has reached me yet as to how they died. It has also been known that Francisco Villa demanded from the merchants in general, excepting the American citizens, a forced loan of three million pesos in cash or in drafts on New York, and that he appointed to that effect a committee, among which there are four Spaniards; all of which has caused no little alarm, because they have all been threatened in case the money is not promptly delivered.

You will understand all the affliction which these happenings have caused me and my serious concern regarding the indefinite continuance of this sad state of affairs, which encourages the uncultured masses to murder with impunity, to sack and destroy, and that I am so deeply concerned when orders are given to pursue in such an unjustifiable manner my countrymen, who are so industrious and in general endowed with qualities which honor their fatherland and who contribute effectively to the wealth and progress of Mexico.

I avail [etc.]

B. J. DE COLOGÁN.

File No. 312.52/38.

The Secretary of State to the American Consul at Hermosillo.[1]

[Telegram.]

DEPARTMENT OF STATE,
Washington, November 5, 1913.

Information from Mexico City that [substance of foregoing despatch and inclosures].

Bring this to the attention of Carranza and informally say that it is expected, if he exercises the control over Villa's forces which he is reported to have, that he will immediately order adequate punishment of the authors of these outrages, and that no more such outrages will be perpetrated.

BRYAN.

File No. 312.52 38.

The Secretary of State to the American Chargé d'Affaires.

No. 1462.] DEPARTMENT OF STATE,
Washington, November 10, 1913.

SIR: The Department has received your No. 2099, of October 20, transmitting two notes from your Spanish colleague in regard to the recent outrages against Spaniards in northern Mexico.

In reply you are instructed to say to the Spanish Minister that the Department has made representations which it is hoped will result in the protection of Spanish subjects in Mexico and in the punishment of those persons who have committed the outrages referred to.

I am [etc.] For the Secretary of State:
J. B. MOORE.

SPANISH COLONY IN CHIHUAHUA.

File No. 312.52/50.

The Secretary of State to the Spanish Ambassador.

No. 218.] DEPARTMENT OF STATE,
Washington, December 6, 1913.

EXCELLENCY: I have the honor to acknowledge the receipt of your note[2] of December 4, in which you inform the Department that you have received a telegram from the Minister of Spain at Mexico

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[1] This telegram was sent to Nogales for transmission to Hermosillo; the Consul at Nogales reported November 6 that on that date it was instead delivered to Carranza at Nogales in pursuance of the evident intention. (File No. 312.52/39.)

[2] Not printed.

City in which he asks you to request this Department to send urgent instructions to the American Consul at Chihuahua, Mexico, to use his good offices to the end that the foreign and Mexican residents there be respected by the revolutionists.

In reply I beg to inform you that, in accordance with your request that your colleague's wishes be complied with, the Department has sent to the American Consuls at Chihuahua and Juárez appropriate instructions in the premises.

Accept [etc.] For the Secretary of State:
J. B. MOORE.

File No. 312.52/79.

The Secretary of State to George C. Carothers, American Special Consular Agent.

DEPARTMENT OF STATE,
Washington, December 9, 1913.

SIR: The Department is in receipt of a telegram from the American Consul at Chihuahua, Mexico, dated November 30, in which he states that the Federals have evacuated the City of Chihuahua. It is the understanding of the Department that the Constitutionalist forces have already occupied Chihuahua. There seems to be considerable uneasiness in certain quarters as to the safety of Americans and other foreigners.

Under date of December 1st, Consul Edwards at Juárez telegraphed that General Villa was disposed to give full protection to all foreigners who have been neutral in the political affairs of Mexico, but that those who are known to have contributed to and are in sympathy with the Huerta Government will be subject to having their property confiscated when found. He also states that foreigners who have sympathized with the Huerta Government are in no danger of their lives and liberty.

On account of the unsettled conditions in that section of Mexico, the Department believes it would be advisable for you to make a trip into the State of Chihuahua with a view of conferring with General Villa and other leaders, for the purpose of insuring, in so far as may be possible, the lives and property of Americans and other foreigners.

If your affairs are in such shape that you can leave immediately, you may draw on the Department for necessary expenses, telegraphing when you leave, the port of entry into Mexico, and such data as will enable the Department to aid you in making this trip expeditiously.

I am [etc.]

W. J. BRYAN.

File No. 312.52/57.

The American Consul at Chihuahua to the Secretary of State.[1]

[Telegram—Extract.]

AMERICAN CONSULATE,
Chihuahua, December 11, 1913.

A considerable number of Spanish subjects will leave here tomorrow by train for El Paso. I recommend that financial aid be re-

[1] Referred December 13 to the Secretaries of Labor and War, and the American National Red Cross, for such action as may be deemed necessary.

quested from Red Cross for relief at El Paso. If possible authority is requested to issue letters of identification to Spanish subjects here for use at border.

LETCHER.

File No. 312.52/55.

The American Ambassador to Spain to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Madrid, December 12, 1913.

The following is a paraphrase of a note from the Minister for Foreign Affairs:

A prominent person of Madrid has received the following cable from El Paso.

We beg that urgent steps be taken by the American Consul for protection of four hundred Spanish subjects in Chihuahua. Villa has ordered them to leave the country within ten days or he will kill them. He demands a large sum of money.

Availing myself of your courtesy I request that you obtain from your Government in the shortest possible time instructions for the American Consul in Chihuahua according to our request. I need not express to you my thanks and the urgency of the service I beg of you.

DE LEMA.
WILLARD.

File No. 312.52/77.

The Spanish Ambassador to the Counselor of the Department of State.

EMBASSY OF SPAIN,
Washington, December 12, 1913.

MY DEAR MR. COUNSELOR: I have just received a telegram saying that the British Consul, who had received instructions from Mexico City to protect Spanish residents in Chihuahua, has notified our colony that Villa has ordered all the Spaniards to abandon their property and leave the district in ten days' time, and that unless these orders are obeyed they will be shot.

I venture to bring the matter to your consideration and to request that urgent telegraphic instructions be sent to the American Consul at Chihuahua for the protection of the lives and property of my compatriots which appear to be in grave danger.

Believe me [etc.]

JUAN RIAÑO.

File No. 312.52/77.

EMBASSY OF SPAIN,
Washington, December 12, 1913.

MY DEAR MR. COUNSELOR: The news which I had the honour to communicate to you this morning, verbally and by note, regarding the menace of Francisco Villa to Spaniards residing in Chihuahua, has been confirmed by a telegram which I have just received from the Spanish Minister in Mexico, who informs me that 400 Spaniards have been ordered to leave the State of Chihuahua in ten days' time and

to abandon their properties, under pain of death, if these orders are not complied with.

I need not dwell upon the gravity of the situation and I trust that the United States Government will spare no effort to ensure the protection of the lives and properties of my compatriots.

Believe me [etc.]

JUAN RIAÑO.

File No. 312.52/55a.

The Secretary of State to the American Consul at Chihuahua.

[Telegram.]

DEPARTMENT OF STATE,
Washington, December 12, 1913.

Spanish Embassy here is advised that Villa has ordered all Spaniards in or about Chihuahua to abandon their property and leave the district in ten days on penalty of being shot. You are instructed to represent to him courteously but in the most impressive manner the hardships involved in the enforcement of such an order against large numbers of persons who must in the main be innocent of any complicity in the pending contest in Mexico, as well as the horror that would be felt throughout the civilized world by the infliction of such a penalty for failure to comply with the order. You are instructed to give to this matter immediate and urgent attention and to report by telegraph the result of your interview.

BRYAN.

File No. 312.52/77.

The Counselor of the Department of State to the Spanish Ambassador.

DEPARTMENT OF STATE,
Washington, December 13, 1913.

DEAR MR. AMBASSADOR: Referring to your two notes of yesterday concerning the order which the Constitutionalist General Francisco Villa is reported to have issued requiring the Spanish residents of the State of Chihuahua numbering four hundred to leave the State in ten days and abandon their property on pain of death in case the order should not be obeyed, I hasten to inform you that the Department immediately telegraphed to the American Consul at Chihuahua to seek an interview with Villa and to make suitable representations to him on the subject. The Consul is instructed to report the result by telegraph. The Department, duly appreciating the gravity of the situation, will spare no effort to secure protection for your countrymen and will keep you advised of what takes place.

Believe me [etc.]

J. B. MOORE.

File No. 312.52/55.

The Secretary of State to the American Ambassador to Spain.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, December 13, 1913.

Your December 12. Instructions were sent yesterday to American Consul at Chihuahua to make proper representations to Villa. Department is today sending special consular representative[1] who has favorable acquaintance with Villa to reinforce representations Consul at Chihuahua is expected to make.

BRYAN.

File No. 312.52/56.

The Secretary of War to the Secretary of State.

[Telegram.]

WAR DEPARTMENT,
Washington, December 13, 1913.

Following from General Scott, El Paso:

I have been informed by prominent members Spanish colony, Chihuahua, who have just arrived in El Paso, that the British Consul, Chihuahua, who is looking after the lives and interests of some four hundred Spaniards that place on account of absence Spanish Consul, has notified these Spaniards that Villa has given them ten days to leave the country or they will be executed at the end of that time. They claim that if forced to leave Chihuahua their property will surely be looted. Efforts of consuls to prevent this have been without result. They state that if efforts by this Government are not promptly taken serious crimes will be committed and immense property losses. They further state that an armed force of Villa's soldiers forcibly entered British Consulate and took Luis Terrazas Jr. therefrom, despite protests of British Consul who had granted Terrazas asylum. Reported Terrazas was taken to penitentiary where he is being held for ransom of two hundred fifty thousand pesos. Information furnishing foreign information request same forwarded Washington.

LINDLEY M. GARRISON.

File No. 312.52/63.

The Spanish Ambassador to the Secretary of State.

[Translation.]

EMBASSY OF SPAIN,
Washington, December 13, 1913.

MR. SECRETARY: I have the honor to inform your excellency that the Government of His Majesty the King of Spain—to which I did not fail to report your excellency's benevolent attitude declared in the note which the Honorable John B. Moore, Counselor of the Department, was pleased to write me under this day's date and by which he informs me that the Department of State had telegraphed to the American Consul at Chihuahua to have a talk with Villa and protest against his carrying out the threats uttered against Spanish

[1] Mr. Carothers.

residents in the State of Chihuahua, of which I had the honor to apprise the Department under date of yesterday, and also informs me of the Washington Cabinet's purpose to spare no effort in affording protection to my fellow countrymen victims of the Mexican revolutionists—instructs me to lay before your excellency the expression of its heartfelt thanks for the attitude of the Government of the United States, which it highly appreciates.

At the same time it directs me to suggest to your excellency the expediency of issuing to the other consuls of the United States in territory occupied by the revolutionists instructions similar to those sent to the Consul at Chihuahua, in anticipation of a recurrence of what occurred in Chihuahua.

With renewed thanks [etc.]

JUAN RIAÑO.

File No. 312.52/55.

The Secretary of State to George C. Carothers.[1]

[Telegram.]

DEPARTMENT OF STATE,
Washington, December 13, 1913.

The Department is advised that Villa has ordered the approximately 400 Spanish inhabitants of the State of Chihuahua to abandon their property and leave the State within ten days on penalty of being shot if found there after that time. The Consul at Chihuahua, Letcher, has been instructed to see Villa and "to represent to him courteously but in the most impressive manner the hardships involved in the enforcement of such an order against large numbers of persons who must in the main be innocent of any complicity in the pending contest in Mexico, as well as the horror that would be felt throughout the civilized world by the infliction of such a penalty for failure to comply with the order." You will proceed immediately towards Chihuahua and if you should see Villa on the way renew and reinforce Letcher's representations. Should you first reach Chihuahua, confer with Letcher and give him your aid and support in carrying out his instructions.

BRYAN.

File No. 312.52/61.

The Spanish Ambassador to the Counselor of the Department of State.

EMBASSY OF SPAIN,
Washington, December 14, 1913.

MY DEAR MR. COUNSELOR: I have just heard of the arrival of the Spanish refugees from Chihuahua at El Paso, Texas, and I wish to express the deep appreciation of my Government and of myself of the magnificent reception which has been extended to them by the Chamber of Commerce of El Paso, and of the feelings which have prompted the charitable citizens of that town to give every help and assistance to my compatriots in their distress.

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[1] Consular Agent at Torreón; at Texas City, Texas, at this date, acting as Special Agent of the Department of State.

I also understand that the American Red Cross, at the suggestion of Mr. Bryan, has offered its assistance, and I beg you to convey to the authorities of that institution my grateful appreciation of their humanitarian attitude.

Let me add that the properties of the Spaniards expelled by Villa from Chihuahua are still at the mercy of this individual, and that any further efforts on the part of the Government of the United States towards protecting them from further pillage and destruction, will be deeply appreciated by my Government.

Thanking you [etc.] JUAN RIAÑO.

File No. 312.52/63.

The American Chargé d'Affaires to the Secretary of State.[1]

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico City, December 15, 1913.

This morning the Spanish Minister at this capital called to ask me to have the various authorities at El Paso, Texas, thanked for their kindness to Spanish refugees at that place.

NELSON O'SHAUGHNESSY.

File No. 312.52/60.

The Secretary of State to George C. Carothers, American Consular Agent.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, December 15, 1913.

Department is in recipt of representations from numerous citizens of the United States invoking its good offices in behalf of Luis Terrazas Jr., who is said to be in imminent danger of execution, and calling attention to the fact that many women of various nationalities, the men of whose families are refugees, are prevented from leaving Chihuahua. Take advantage of the earliest opportunity to use your good offices with Villa in behalf of these persons on grounds of humanity. Urge upon him the necessarily unfavorable effect on public opinion of violent or summary acts against non-combatants. Should you not find Villa till you reach Chihuahua, confer with Letcher and support him in making such representations.

BRYAN.

File No. 312.52/71a.

The Secretary of State to the American Consul at Chihuahua.

[Telegrams.]

DEPARTMENT OF STATE,
Washington, December 15, 1913.

Please report whether Villa or other Constitutionalists have interfered with the property of Spanish citizens. Do everything within

[1] Transmitted by the Department December 16 to the Red Cross and the Mayor of El Paso.

your power to protect both life and property of other foreigners as well as Americans, and wherever it is possible use your good offices to prevent harsh treatment of Mexicans. The Constitutionalists should remember that every act of cruelty is repeated and exaggerated, and they should therefore give as little opportunity as possible for such complaint even in their dealings with Mexicans.

BRYAN.

File No. 312.52/61.

DEPARTMENT OF STATE,
Washington, December 17, 1913.

Earnestly use your unofficial good offices to secure protection for properties of Spanish subjects who have been expelled from Chihuahua.

BRYAN.

File No. 312.52/63.

The Secretary of State to the Spanish Ambassador.

No. 222.] DEPARTMENT OF STATE.
Washington, December 18, 1913.

EXCELLENCY: I have the honor to acknowledge the receipt of your excellency's note of December 13th, regarding the protection of lives and properties of Spanish subjects in Mexico, and, in compliance with your request, I am glad to inform you that the Department is today instructing American consular officers in territory occupied by revolutionists to extend all possible and proper protection to the lives and properties of Spanish subjects in their districts during the continuance of the present revolutionary disturbances in Mexico.

Accept [etc.]

For the Secretary of State:
J. B. MOORE.

File No. 312.52/63.

The Acting Secretary of State to certain Consular Officers in Mexico.[1]

No. 51.] DEPARTMENT OF STATE,
Washington, December 18, 1913.

GENTLEMEN: In compliance with a request from the Spanish Embassy at this capital, you are instructed to extend all possible and proper protection to the lives and properties of Spanish subjects in your district during the continuance of the present revolutionary disturbances in Mexico. This also applies to all other foreign subjects within your district.

I am [etc.]

For the Acting Secretary of State:
ALVEY A. ADEE.

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[1] Sent to the Consul General at Monterey, and to the Consuls at Vera Cruz, Tampico, Matamoros, Nuevo Laredo, Ciudad Porfirio Díaz, Ciudad Juárez, Chihuahua, Hermosillo, Mazatlán, Durango, San Luis Potosí and Saltillo; and on the 24th to Acapulco.

File No. 312.52/78.

The American Consul at Chihuahua to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN CONSULATE,
Chihuahua, December 18, 1913.

In anticipation of instructions I have already used my good offices to the fullest extent to ameliorate the hardships of Spaniards, but my efforts were entirely futile; the confiscation of property of Spanish subjects is now practically completed. Villa replied to my protests by a letter dated today saying that the expulsion of the Spaniards saved them from massacre by the populace. This is entirely false. Villa further bases his action on alleged participation of Spaniards in political affairs; he adds that those who can prove themselves guiltless thereof may return and will be indemnified.

LETCHER.

File No. 312.52/94.

The American Consular Agent to the Secretary of State.

[Telegram—Paraphrase.]

FORT WORTH, *December 26, 1913.*

General Villa received me very cordially and signified his intention of extending leniency to Spaniards in future. He is now operating against Federals towards Ojinaga and Torreón. While I was there a very important conference was held between Villa and two Carranza emissaries which was communicated to me. Villa will be in Juárez on twenty-eighth.

G. C. CAROTHERS.

File No. 312.52/94b.

The Acting Secretary of State to George C. Carothers, American Consular Agent.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, December 27, 1913.

The Department has received from various sources information that Villa refused to permit the wives and children of refugees to leave Chihuahua; that coal has been taken from the American Smelting and Refining Company and from the Chihuahua Mining Company; that Victor Hector, an American citizen, was compelled to pay six thousand pesos; that the German colony feels great uneasiness lest confiscatory measures similar to those used against Spaniards be applied to them, and that Japanese are also fearful of expulsion and confiscation of their property.

Discreetly ascertain from Villa all possible details of the subjects mentioned. Represent to him that the world is watching with intense interest his every move and that his treatment of the Spaniards

has already provoked much comment unfavorable to the cause of the Constitutionalists. Urge upon him the advisability of relieving this situation by permitting departure of all who desire to leave, and of making a declaration that protection will be afforded to all foreigners and their property.

J. B. MOORE.

File No. 312.52/104.

George C. Carothers, Consular Agent, to the Secretary of State.

[Extract.]

EL PASO, TEXAS, *December 31, 1913.*

SIR: I have the honor to report that I received your telegram dated the 13th instant, at Texas City, and at once proceeded here. * * * I arrived in El Paso on the 17th and found Mr. Lázaro de la Garza and Felicitos Villareal, confidential advisers of Villa. I heard through them that two representatives from Carranza, Luis Cabrera and Eliseo Arredondo, were on the way to see Villa, so I decided to wait until their arrival and go down to Chihuahua together. * * * We arrived in Chihuahua on the morning of the 22d. * * * Villa invited me to breakfast with him the next morning, after which I had an hour's interview with him, principally regarding his treatment of Spaniards. He told me that he had found arms and ammunition in many Spanish houses and that he had positive information that they had aided the Federals in the defense of Chihuahua, both financially and physically, and that he had ordered them all to leave, as he had not the time to investigate each case, but that he was going to permit all those who could prove to him their innocence to return; that he knows very well that the Spaniards throughout Mexico are in sympathy with the Huerta Government assisting it in every way possible, and that it was necessary to "throw a scare into them," as he expressed it, in order to force those in Mexico City and other places to stop mixing with politics. He said that he has no intention of executing any of them unless he has positive proof of their guilt.

I suggested to him that it would be well to give his prisoners a trial in proper form before executing them, pointing out to him the possibilities of petty revenges on the part of persons who had influence with him to do away with their enemies through false denunciations.

He agreed to this, and I believe that he will be much easier than heretofore, as I am only one of many who have made similar representations to him.

He said to tell you that the only way they can firmly establish a permanent peaceable Government in Mexico is by doing away with the bad elements when they catch them; that frequently his measures appear very harsh to our people, but that they are absolutely necessary, and that when the facts become known to our people they will change their opinion. * * *

I asked him about the Terrazas family, and he told me that he had confiscated everything they had, that they were enemies of his cause, working against him, but that he was not going to execute young

Terrazas, whom he is holding in Chihuahua pending some investigation. I do not believe he is in any body danger. * * *

I have [etc.]

G. C. CAROTHERS.

THE CHIHUAHUA NEWSPAPER "EL NUEVO MUNDO."

SUMMARY.—The American Chargé d'Affaires on December 15 reported request of the Spanish Minister for the good offices of this Government to prevent seizure of the establishment in Chihuahua of "El Nuevo Mundo," of which Villa had taken the keys. The Department instructed the Consul at that point to extend all proper and possible protection to this property. (File Nos. 312.52/67, 80.)

CERTAIN SPANIARDS AT CIUDAD PORFIRIO DIAZ.

Arrest and extortion.

SUMMARY.—The Consul reported that on July 26 the Carrancista chief of arms at C. P. Díaz, Gabriel Calzado, arrested a Spanish woman and extorted $2,000 Mexican. The Consul vigorously protested but without avail. (File No. 312.52/13.)

Arrest and confiscation.

SUMMARY.—The above-mentioned chief of arms, Calzado, seized the merchandise of Trueba Hermanos Sucesores. Their manager, Jacinto Barquín, appealed to the Consul on July 31 and to the Department August 1. The Consul immediately protested to Calzado and was instructed on August 13 to continue his good offices. He obtained the release of one member of the Trueba family who had been arrested and on August 18 reported that his protest had stopped the confiscation of the firm's merchandise. (File Nos. 312.52/14, 16, 17, 18, 21.)

Arrest.

SUMMARY.—The above-mentioned chief of arms, Calzado, arrested Manuel Martínez and Galindo Palacio on August 4, as spies. The Vice Consul reported the matter on August 7 but no further correspondence appears. (File No. 312.52/19.)

Seizure of Live Stock.

SUMMARY.—The Constitutionalists seized the live stock of the firms of Maiz Hermanos and Compañía Sautena; the Consul reported August 24 that he had protested vigorously. The Spanish Minister at Washington requested the Department's assistance, including di-

rections to the Texas authorities to the same end. The Department replied that those authorities would have no jurisdiction but the matter had been referred to the Treasury Department for its consideration and had instructed the Consuls at various points "to use their good offices with the local authorities in behalf of Spanish subjects in need of protection." Part of this live stock was returned after insistence by the Consul at C. P. Díaz, as the Spanish Minister was informed on September 9. (File Nos. 312.52/20, 22, 23, 26, 27, 35.)

CASE OF MIGUEL DIEGO AT LAS VACAS.

SUMMARY.—Upon complaint of H. J. Ware, that Diego's store had been looted by federal troops, the Consul at Ciudad Porfirio Díaz was instructed to endeavor to secure the return of the stolen goods. Upon protest by the Consul, the federal general at C. P. Díaz telegraphed December 4 to the local commander at Las Vacas to return the property and not to molest foreigners in the future. (File Nos. 312.51/48, 49, 52, 69.)

CERTAIN SPANIARDS AT CIUDAD JUÁREZ.

Seizure of Merchandise.

SUMMARY.—The Spanish Minister on November 20 requested the good offices of the Department in behalf of various Spaniards having goods in danger of seizure by the revolutionists. In response to the Department's instructions based on this request, the Consul at that point reported having requested the Mexican authorities to allow transfer of the goods to the American side. (File Nos. 312.52/44 and 45.)

Confiscation and threatened violence.

SUMMARY.—The Spanish Minister reported to the Department on November 27, receipt from the Spanish subjects Manuel Trueba, Domingo Trueba, Andres Delreumberri, Monjo Laredo y Cia, Francisco Sainz, E. Fernandez, and Francisco Gutierrez, living in Ciudad Juárez, a telegram begging him to ask this Government to use its good offices to protect their lives and property. It stated that the revolutionists had closed their establishments and they were threatened with utter ruin and were in great personal danger. The Consul was instructed immediately to use all efforts to secure protection for them and their property. (File No. 312.52/46.)

CERTAIN SPANIARDS AT MATAMOROS.

Protection of person and property.

SUMMARY.—The Spanish Consul at Tampico and the Spanish Minister at Washington, on June 20 and 24 respectively, requested of the

Department the protection of the persons and properties of the family and firms of Armendáiz (Armendaráiz) at Matamoros, where there was no Spanish Consul. The American Consul at Matamoros was instructed to use his good offices to that end on June 23. (File No. 312.52/7 and 8.) There was some controversy with the Mexican authorities as to the Spanish citizenship of those concerned. (File Nos. 312.52/9, 10 and 12). On July 10 the Consul was instructed to use his good offices for the protection of the property of Modesto Arconada, Spanish subject and representative of Armendaiz Sucesores. (File No. 312.52/11.) On September 15 the Spanish Minister was informed of a report from the Consul saying that his repeated efforts to protect the property of Spanish subjects at Matamoros had met with little success, the position assumed by the Carranza party being that those hostile to them must make contributions. (File No. 312.52/28.)

Robbery by revolutionists.

SUMMARY.—Complaint being made on behalf of E. Colsa Mora of robbery, the Consul was instructed on September 9 to make urgent unofficial representations to the Mexican authorities and to give such assistance as possible. (File No. 312.52/25.)

Confiscatory tax on cattle.

SUMMARY.—The Spanish Ambassador on December 23 informed the Department that a tax of $10 per head had been placed on 2,000 cattle belonging to Señor de San Román and other Spaniards. San Román had telegraphed that "total ruin of Spanish interests in that region is inevitable unless the United States Government, the only one, apparently, respected by Carranza, is disposed once more to intercede on their behalf." The Department on December 23 instructed the American Consul at Matamoros to remonstrate earnestly with Carranza or his representatives and say that "this Government looks with grave disfavor on unjustifiable discriminatory exactions such as that of which the Embassy complains. Such incidents can not fail to accentuate the present unfortunate condition of affairs in Mexico." The Consul at Hermosillo, Sonora, was instructed in the same terms. (File No. 312.52/96.)

SPANIARDS AT TORREÓN.

SUMMARY.—The Spanish Minister on October 15 requested the Department to commend to the appropriate consul all Spaniards in Torreón in order to prevent injury to their persons and property. The Consuls at that point and at Durango were so instructed on the same date, the latter being also instructed to request Carranza to issue immediate orders for the adequate protection of all foreigners

at Torreón. He responded, October 18, that Carranza had informed the Consul at Hermosillo that "Spaniards in Torreón not implicated in politics will have same protection guaranteed them as Americans and all foreigners." (File Nos. 312.52/30 and 33.)

PROTECTION OF FRENCH CITIZENS.

File No. 312.51/6.

The Acting Secretary of State to the Secretary of the Navy.

DEPARTMENT OF STATE,
Washington, October 31, 1913.

SIR: Referring to this Department's letter of October 29th[1] in which you were informed that in a telegram received from the American Embassy at Mexico City, dated October 26th, it was stated that the French Legation at Mexico City had requested that the United States send a warship to protect its nationals at San Ignacio, near Boleo, State of Sinaloa, I have the honor to advise you that in a later telegram received from the American Embassy at Mexico City it appears that the San Ignacio referred to is located in Lower California, near Santa Rosalía. This information was verbally conveyed to Commander Watts on October 30th, and I understand that the Navy Department has already communicated this information to Admiral Cowles at Guaymas and has received a reply from the Admiral stating that all French citizens in the vicinity of San Ignacio are now in Santa Rosalía under full protection of a Federal force and a Mexican man-of-war.

As the conditions reported seem to meet the necessities of the case and the desire of the French Legation that its nationals at San Ignacio be protected, it is not deemed that any further action at this time will be necessary.

I have [etc.] J. B. MOORE.

File No. 312.51/12.

The Secretary of State to the American Chargé d'Affaires.

DEPARTMENT OF STATE,
Washington, November 20, 1913.

SIR: The Department has received your No. 2119, of November 5,[1] transmitting a letter of thanks from the French Minister at Mexico City, for the action of the United States in sending a vessel of the Navy to protect French citizens at El Boleo.

Copies of your despatch and its enclosures have been sent to the Secretary of the Navy for his information.

I am [etc.]

For the Secretary of State:
J. B. MOORE.

[1] Not printed.

PROTECTION OF GERMAN SUBJECTS.

CASE OF SOL HARBURGER.

SUMMARY.—On July 30, 1913, the Vice Consul at Ciudad Porfirio Díaz informed the Department of the complaint to him of a German subject, Sol Harburger, of detention at the border on his way to the United States side on a charge of being a Huerta sympathizer, on the order of the Carrancista chief of arms, Calzado. The Consul's protest resulted in permitting this German to go and come at will (File No. 312.62/15). Harburger again complained, on August 22, that his ranch was overrun by cattle driven there by the rebels. Protest by the Consul caused the removal of the cattle (File No. 312.62/17). Harburger was arrested on September 24 for failure to pay a $2,000 tax for permission to lend money. The American Consul demanded his release on the same day which was granted on certain conditions to which he agreed (File No. 312.62/19). The German Ambassador at Washington on October 16 thanked the Department for the protection given by the Consul to Harburger (File No. 312.62/31).

PROTECTION OF JAPANESE SUBJECTS.

File No. 312.94.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Mexico, November 26, 1913.

I am informed by the Japanese Minister that his Government would greatly appreciate it if the United States war vessels now on the Pacific coast would take care of Japanese subjects at Manzanillo, Mazatlan, Culiacan, and Acaponeta until arrival of Japanese cruiser, about December 23.

NELSON O'SHAUGHNESSY.

File No. 312.94.

The Secretary of State to the American Chargé d'Affaires.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, November 29, 1913.

You may inform the Japanese Minister that commanders of United States war vessels have been instructed to give protection to foreigners at ports where vessels may be located. This of course includes Japanese subjects.

BRYAN.

File No. 312.94/1a.

The Acting Secretary of State to the Secretary of Labor.

DEPARTMENT OF STATE,
Washington, December 29, 1913.

SIR: The Japanese Ambassador at this capital has requested that in case Japanese subjects in Chihuahua should be forced to leave Mexico, as was done in the case of the Spaniards, temporary refuge may be given them at El Paso.

In this relation I beg leave to refer to a letter [1] addressed by the Acting Secretary of Commerce and Labor to this Department on March 14, 1912, by which it appears that our immigration authorities on the border accorded to Chinese residents in Mexico in times of disturbance refuge on the American side of the border, and the Department understands that this practice has been continued.

I have [etc.]

J. B. MOORE.

File No. 312.94/1b.

The Acting Secretary of State to the Japanese Ambassador.

DEPARTMENT OF STATE,
Washington, December 29, 1913.

DEAR MR. AMBASSADOR: I desire to inform you that after your call on Friday the 26th instant the Department sent telegraphic instructions to the Consul of the United States at Chihuahua to use his good offices in behalf of Japanese subjects as he had done in the case of other aliens.

The Department has also taken up with the Department of Labor the question of affording temporary refuge at El Paso to Japanese subjects in case they should be obliged to leave Chihuahua.

Believe me [etc.]

J. B. MOORE.

PROTECTION OF CHINESE SUBJECTS.

File No. 704.9312/11a.

The Acting Secretary of State to the American Consuls at Nogales, Cananea, Hermosillo and Guaymas.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, May 3, 1913.

The Chinese Minister here represents to the Department that Chinese in Sonora are suffering great hardships, that two of them were recently killed, and that much of their property has been destroyed. The Department desires that you render, when it may seem

[1] Not printed in For. Rel. 1912, but referred to at page 927.

necessary, such informal good offices as may be possible and as you are permitted to exercise by the local authorities, to Chinese resident in Mexico.

MOORE.

File No. 312.93/31.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, June 3, 1913.

The Chinese Chargé d'Affaires has requested that American consuls in disturbed districts be instructed to extend protection to Chinese citizens when in distress or danger.

HENRY LANE WILSON.

File No. 312.93/31.

The Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, June 6, 1913.

You may instruct consuls to render, whenever it appears to them necessary, such informal good offices as may be possible and as the local authorities may permit to be exercised, to Chinese resident in Mexico.

BRYAN.

File No. 312.93/32.

The American Vice Consul at Nogales to the Secretary of State.

[Telegram.]

AMERICAN CONSULATE,
Nogales, June 23, 1913.

At request of Chinese colony here Department is advised that a Chinaman named Wong Wing Giat, whose Mexican name was Ramón Wong, was shot and killed yesterday at his store in Nogales by a Mexican soldier. There seems to have been no provocation for the killing, the Chinese informing me that the soldier killed Wong after a dispute over the price of cigarettes. Under Department's instructions of May 3 I brought this murder to the attention of Governor Pesqueira at Hermosillo unofficially and informally requesting him to order an immediate investigation with a view to the punishment of the murderer. Local Chinese request that this information be conveyed to the Chinese Legation at Washington to the end that he take some action to secure protection for them here and at Cananea where oppression of Chinese is increasing.

SIMPICH.

NOTE.—The above telegram was communicated to the Chinese Legation on June 27, but no further correspondence on the subject appears to be of record.

File No. 151.07/11.

The Secretary of State to the American Vice Consul at Nogales.

No. 286.] DEPARTMENT OF STATE,
Washington, July 3, 1913.

SIR: The Department acknowledges the receipt of your despatch No. 244, of June 19th,[1] stating that a large number of Chinese in the vicinity of Cananea have appealed to the American Consular Agent at that place for permission to go with their wives and families across the international boundary to Naco, Arizona, should a situation arise at Cananea endangering their lives, and setting forth the fact that conditions now obtaining in northern Sonora are unfavorable to them.

In reply you are informed that heretofore the United States immigration officials along the Mexican border have permitted Chinese to seek refuge in United States territory when their lives have been actually endangered on the Mexican side of the line. They will doubtless in future accord the same permission whenever it becomes necessary to do so.

You should, however, when the case arises, in order that the Department of Labor, which is now charged with the enforcement of the immigration laws and regulations, may have all necessary information in its possession, transmit to this Department by telegraph full particulars regarding the number of Chinese men, women and children, their occupations in Mexico, and the exact place in Arizona in which they seek refuge, so that the immigration officials along the border may be appropriately instructed by the Department of Labor.

I am [etc.]

For the Secretary of State:
WILBUR J. CARR.

File No. 812.00/8021.

The Acting Secretary of the Navy to the Secretary of State.

[Extract.]

NAVY DEPARTMENT,
Washington, July 10, 1913.

SIR: I have the honor to forward herewith for the information of the Department of State copy of a telegram dated the 9th instant received from the Commander-in-Chief of the Pacific Fleet, at Guaymas, Mexico, reporting on conditions in that vicinity.

Sincerely yours,

F. D. ROOSEVELT.

[Inclosure—Extract.]

U. S. S. PITTSBURG,
Guaymas, Mexico, July 9, 1913.

Defense Guaymas continues to be strengthened. Americans still on *Glacier*. Six hundred Chinese under protection *Pittsburg* in camp on small island in outer harbor.

COWLES.

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[1] Not printed.

File No. 312.93/37.

The Acting Secretary of State to the American Consul at Ciudad Juárez.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, July 17, 1913.

The Red Cross has been appealed to by the Chinese Legation for assistance in relieving 150 Chinese at Pearson, Chihuahua. You will investigate their condition and report by telegraph necessities for food and shelter and how food can be obtained and best manner of affording immediate relief. Send runner if necessary.

MOORE.

NOTE.—Owing to absence of the Consul and to an error in place of delivery, the above telegram was greatly delayed and was finally received by mail.

File No. 312.93/42.

The American Consul at Ciudad Juárez to the Secretary of State.

[Telegram.]

EL PASO, *August 6, 1913.*

Your July 17. From Chinese recently at Pearson and Casas Grandes it is learned that about 130 Chinese reside in those towns, and constantly receive severe and cruel treatment from the various factions of the revolution, from bandits and even from local inhabitants. To send these people financial aid at their present abodes would be quite ineffective. I would suggest a contribution to bring to Ciudad Juárez as many as would accept, and a small allowance for subsistence here; say $10 or $12 for transportation and 50 cents daily for subsistence.

EDWARDS.

NOTE.—The foregoing was referred to the Red Cross, but apparently no further correspondence on the subject is of record.

File No. 312.93/48.

The American Chargé d'Affaires at Peking to the Secretary of State.

No. 1002.] AMERICAN LEGATION,
Peking, September 10, 1913.

SIR: I have the honor to enclose copy in translation of a note dated the 9th instant from the Ministry of Foreign Affairs, informing the Legation that the Chinese Chargé d'Affaires at Washington has been instructed to express the appreciation of the Chinese

Government for the protection afforded by the American consular representatives in Mexico to Chinese residents.

I have [etc.]

E. T. WILLIAMS.

The Chinese Ministry of Foreign Affairs to the American Chargé d'Affaires.

[Translation.]

September 9, 1913.

SIR: This Ministry has received from Mr. Chang, Chinese Chargé d'Affaires in the United States, a telegram to the following effect:

Since the beginning of the Mexican disturbances the American Government has issued repeated instructions to American consuls in Mexico to afford protection to Chinese residents of the country; also, when seventy odd refugees fled to El Paso they were provided temporarily with sustenance. When the disturbance of the "vegetable gardens" occurred for the second time, over thirty Chinese found refuge and were protected in the American Consulate.

When I, the Vice Minister, received this information I was profoundly moved by both joy and gratitude. I have telegraphed Chargé d'Affaires Chang to present the thanks of this Government to the American Government, and I have the honor to address to you, sir, this special letter of thanks.

With compliments.

[Seal of the Minister for Foreign Affairs.]

File No. 312.93/43.

The Acting Secretary of State to the Chinese Chargé d'Affaires.

DEPARTMENT OF STATE,
Washington, September 19, 1913.

MY DEAR MR. CHARGÉ D'AFFAIRES: The Department is in receipt of a telegram dated the 18th instant from the American Consul at Durango, Mexico, which I have the honor to quote for your information:

Kindly ascertain at Chinese Legation what arrangements, if any, have been made for Chinese subjects to leave Mexico. Several hundred in this district without consular representative and very much alarmed. Many cases of actual suffering.

The Department will be happy to transmit to the Consul such reply as you may desire to make.

I am [etc.]

JOHN E. OSBORNE.

File No. 312.93/45.

The Chinese Chargé d'Affaires to the Secretary of State.

LEGATION OF CHINA,
Washington, September 23, 1913.

MY DEAR MR. SECRETARY: I beg to acknowledge the receipt of your note of September 19th informing me [etc.] the substance of which I telegraphed to my Government for its information, and in reply thereto I have been directed to ask the Department to instruct the

American Consul at Durango to render such assistance as may be necessary to those Chinese who are destitute and needing help, and that the Legation will be glad to reimburse the Department for such expense as may be incurred.

I beg [etc.]

CHANG KANG-JEN.

NOTE.—The Consul was instructed as above requested, on September 26.

File No. 312.93/47.

The Acting Secretary of State to the Secretary of Labor.

DEPARTMENT OF STATE,
Washington, October 6, 1913.

SIR: I have the honor to inform you that this Department is in receipt of a communication from the Chinese Legation in this city in which it is requested that transportation be furnished for thirty-nine Chinese, who are now at Ojinaga, to Ciudad Juárez.

On account of the uncertain railroad facilities across Mexican territory from Ojinaga to Ciudad Juárez, this Department believes it is advisable for these refugees to be sent via Presidio, Alpine and El Paso, Texas. The Chinese Legation agrees to pay whatever expenses are incurred. It is very likely that you will find it necessary to have some agent of the Immigration Bureau go to Ojinaga and look after the transportation of these Chinese. This Department will be glad for you to give this request of the Chinese Legation prompt attention.

I have [etc.]

J. B. MOORE.

File No. 312.93/49.

The Acting Secretary of State to the Chinese Chargé d'Affaires.

DEPARTMENT OF STATE,
Washington, October 11, 1913.

MY DEAR MR. CHANG: Referring to the Department's note of October 6, 1913, relative to the request of your Legation that transportation be furnished at the expense of your Government for thirty-nine Chinese citizens from Ojinaga to Ciudad Juárez, I beg to inform you that the Department is now in receipt of a letter dated October 7 from the Secretary of Labor from which it appears that thirty-five instead of thirty-nine Chinese reached El Paso on October 5 and immediately proceeded to Ciudad Juárez. It appears that the Chinese in question paid their own expenses.

I am [etc.]

J. B. MOORE.

File No. 312.93/51.

The Acting American Consular Agent at Guaymas to the Secretary of State.

[Telegram.]

SAN DIEGO, (*received October 14, 1913.*)

President local Chinese colony has wired Chinese Minister at Washington asking protection against commercial discrimination against Chinese here and have asked that I be authorized to represent them in the matter.

W. J. PHILLIPS.

File No. 312.93/51.

The Secretary of State to the American Consular Agent at Guaymas.

[Telegram.]

DEPARTMENT OF STATE,
Washington, October 14, 1913.

Yours relative to commercial discrimination against Chinese. You will at once take this up with appropriate authorities and urgently protest against these discriminations. Insist that every legal and reasonable protection to which they are entitled be afforded them.

BRYAN.

File No. 312.93/52.

The American Consul General at Monterey to the Secretary of State.

[Telegram.]

AMERICAN CONSULATE GENERAL,
Monterey, October 28, 1913.

Please inform Chinese Minister that thirty-five Chinese are without clothing or food, one wounded as result of late battle. I am supplying them food. The leading one says that 2000 pesos are needed to help clothe and feed them.

HANNA.

File No. 312.93/53.

The Secretary of State to the American Consul General at Monterey.

[Telegram.]

DEPARTMENT OF STATE,
Washington, November 3, 1913.

Chinese Legation here requests that you give such assistance as may be necessary to destitute Chinese. Please comply, keeping separate account of such expenditures in order that a bill may be submitted to Chinese Legation for reimbursement.

BRYAN.

File No. 312.93/55.

The Acting Secretary of State to the Chinese Chargé d'Affaires.

No. 262.] DEPARTMENT OF STATE,
Washington, December 16, 1913.

SIR: The Department has received a telegram dated the 10th instant from the American Consul at Mazatlan in which he informs it that Chinese residents in Mazatlan have asked his advice and that he has advised them in case of danger to concentrate in a building which they have taken near the Consulate and where they have stored nearly half a million dollars' worth of merchandise.

Accept [etc.]

J. B. MOORE.

CLAIMS OF AMERICAN CITIZENS AGAINST MEXICO FOR DAMAGES ARISING FROM REVOLUTIONARY DISTURBANCES.[1]

File No. 412.00/22.

The American Chargé d'Affaires to the Secretary of State.

No. 1834.] AMERICAN EMBASSY,
Mexico, December 30, 1912.

SIR: I have the honor to enclose herewith for the information of the Department copies of a note and translation thereof, dated November 9, 1912, from the Minister for Foreign Affairs to the Minister of Great Britain, pertaining to the attitude of the Mexican Government in the matter of claims growing out of the recent disturbances, which I received only Saturday last.

I have [etc.]

MONTGOMERY SCHUYLER.

[Inclosure—Translation.]

The Mexican Minister for Foreign Affairs to the British Minister.

MINISTRY OF FOREIGN AFFAIRS,
Mexico, November 9, 1912.

MR. MINISTER: I was honored by the note of the Legation of November 5 in which, pursuant to instructions, your excellency asks what attitude will be taken by the Mexican Government for the settlement of claims submitted by foreigners on account of the present conditions in this country.

In reply I have the pleasure to say to your excellency that this Government considers that the disturbances which are occurring throughout the Republic, do not have the character of the Revolution of 1910, as your excellency so wisely understands; and it hopes that the Government of Great Britain is of the same opinion. For which reason the Government of Mexico has not made any decision in regard to the above claims, hoping that the disorders will cease. As soon as this happens I shall be pleased to inform your excellency as to whatever course may be adopted.

I avail [etc.]

PEDRO LASCURAIN.

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[1] Continued from For. Rel. 1912, pp. 929–986.

File No. 312.11/1031c.

The Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, January 7, 1913—5 p. m.

Referring to Mr. O'Shaughnessy's letter of December 28, 1912, and attached memorandum.[1] The Department does not fully share some of the views which, it infers from the memorandum, you expressed to Mr. Lascurain. The Department deems it best at present to press individual cases as occasion requires pending that future time when a general settlement with Mexico may be necessary. Mr. Lascurain made a decidedly favorable impression. At the interviews with the President and at the Department it was sought to impress upon him that Mexico must protect American life and property; do justice to American citizens; restore order; respond to the great moral obligation to be especially considerate of American interests and promptly meet this Government's requests in specific cases; and, in general, exemplify that friendliness, earnestness and efficiency in protecting American interests necessary to justify before public opinion the continuance of the signally friendly and patient policy of the United States. Mr. Lascurain seemed sincerely anxious to make every effort along the lines suggested.

KNOX.

File No. 412.11/149.

The American Ambassador to the Secretary of State.

No. 1845.] AMERICAN EMBASSY,
Mexico, January 8, 1913.

SIR: I have the honor to invite the attention of the Department to the apparent discrepancy and inconsistency in the character of its various instructions to this Embassy on the subject of the claims of American citizens. In the Department's telegram of April 14th, [1912], 3 p. m.[2] the President's views of the attitude of the United States towards claims was given and the following definition of our position was made:

> The enormous destruction, constantly increasing, of valuable American properties in the course of the present unfortunate disturbances, the taking of American life contrary to the principles governing such matters among all civilized nations, the increasing dangers to which all American citizens in Mexico are subjected, and the seemingly possible indefinite continuance of this unfortunate situation compel the Government of the United States to give notice that it expects and must demand that American life and property within the Republic of Mexico be justly and adequately protected, and that this Government must hold Mexico and the Mexican people responsible for all wanton or illegal acts sacrificing or endangering American life or damaging American property or interests there situated.

This instruction, as the Department is aware, was given wide publicity at the time of its issuance, both in the American and Mexican press, with the natural result that numerous Americans were encour-

[1] This memorandum (without the letter, which merely covered it) is printed in For. Rel. 1912 at page 985.
[2] For. Rel. 1912, p. 787.

aged to present their claims against the Mexican Government believing that the above was the policy of the United States. Ever since April these claims have been presented with frequency and as no tangible results have been obtained the claimants are naturally desirous of knowing whether they may expect any action on the part of the United States.

On December 2nd, however, the Department, in its No. 1116,[1] informed the Embassy, in the care of Carlos A. Miller, that:

> You are instructed to advise Mr. Kearful that when the general question of the claims of American citizens against the Government of Mexico growing out of the recent revolutionary disturbances shall be taken up, the Department will give careful consideration to the claim of Mr. Miller.
>
> In the meantime, you will invite Mr. Kearful's attention to the following generally accepted principles of international law: That a claimant against a foreign government is not usually regarded, subject to certain exceptions not at present necessary to consider, as entitled to diplomatic intervention by his own government until he has exhausted his legal remedies in the appropriate tribunals of the country against which he makes the claim; and that a sovereign government is not ordinarily responsible to alien residents for injuries they may receive within its territories from insurgents whose conduct it cannot control.

On December 19, again, in its instruction No. 1142,[2] the Department, in the case of Daniel E. Sherron et al., in which the Mexican Government had stated that—

> No State is legally responsible for damages and prejudices which during an insurrection may be suffered by foreigners at the hands of rebels.

replied that—

> You are instructed to write a note to the Mexican Foreign Office, acknowledging the receipt of its note of December 2, regarding the claim of Sherron et al., and informing it that the Government of the United States can not admit the existence of any such unqualified rule as that stated by the Mexican Government, and that full reservation must be made of the right of this Government further to press this matter in connection with the hundreds of other claims which, it is now apparent, this Government must ultimately present to the Government of Mexico for settlement.

For the protection equally of the Department and of this Embassy in replying to claimants or would-be claimants, it would seem imperative that the Government of the United States adopt a fixed policy in regard to claims and inform interested persons either that the United States will hold Mexico liable for just claims or that it will not. Sooner or later our Government will have to decide this matter and the longer it is postponed the more difficult it will be, and the more innocent and meritorious claims will suffer.

I have [etc.]

HENRY LANE WILSON.

File No. 312.11/1033.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico City, January 9, 1913—5 p. m.

Department's January 7, 5 p. m. I believe that while it is my duty faithfully to reflect and execute instructions it is also my duty

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[1] Not printed; File No. 412.11M612. [2] Not printed; File No. 412.11/140.

to repeat that the matters set forth in our note of September 15, 1912[1]—to which we have asked a categorical and explicit answer—should be treated collectively instead of independently. We owe it, I believe, to our dignity to require clear, specific promises of satisfaction for all the items of complaint set forth in that note.

While fully sharing the Department's estimate of Mr. Lascurain, my experience with him, and that of the Chargé d'Affaires in my absence, is that while he is prolific in promises his performance is negligible, probably because of little or no influence with the administration; and that while sincere he makes an entirely inaccurate estimate of the situation.

WILSON.

File No. 312.11/1041a.

The Secretary of State to the American Ambassador.

No. 1166.] DEPARTMENT OF STATE,
Washington, January 9, 1913.

SIR: As supplementary to the Department's telegraphic instruction of January 7, 5 p. m., I now inclose copies of memoranda of my conversation with Mr. Lascurain on January 3, and of his conversation with the Assistant Secretary of State on the following day. When Mr. Lascurain was received by the President on the 2d instant the President spoke to him along similar lines.

When Mr. Calero called at the Department preparatory to his departure from Washington, I took advantage of the opportunity to speak to him rather strongly along the general lines which were under discussion during your recent visit to Washington.

What with the fact that the situation in Mexico has appeared for the past few weeks to be somewhat quieter and the fact that there has been communicated to the Mexican Government; first through Mr. Calero and then through Mr. Lascurain, a very clear impression of the views of this Government and of the more earnest, energetic and friendly action which it expects of the Government of Mexico in behalf of American interests, it does not seem necessary at this time to make to the Government of Mexico any further written representations of a general character. From the present instruction and its inclosures and by consulting the telegram of January 7, to which I have alluded, it is thought that the Embassy will gain a clear idea of what it was sought to impress upon the Government of Mexico through Mr. Lascurain as well as of the present attitude of the Department toward the general situation.

You will note that Mr. Lascurain requested a recapitulation of what he had learned at the Department regarding certain specific cases, and that in reply to his request he was informed that although the specific cases mentioned were simply examples and did not by any means constitute a complete list, such a recapitulation might possibly be communicated to him personally and unofficially. In this connection the Department has prepared a paper, copy of which is inclosed, to be handed to Mr. Lascurain quite informally in compliance with his request.

I am [etc.] P. C. KNOX.

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[1] For. Rel. 1912, pp. 842–846.

[Inclosure 1.]

Memorandum of conversation between the Secretary of State and the Minister for Foreign Affairs of Mexico, January 3, 1913.

PROTECTION OF AMERICANS AND AMERICAN INTERESTS IN GENERAL.

His Excellency Pedro Lascurain, Minister for Foreign Affairs of the Republic of Mexico, called upon me at the Department of State this morning at 10 o'clock, stating that he had been on a visit for the past three weeks to the United States with a view of making inquiry as to the American point of view in respect to American interests in Mexico by personal conversations with individuals and corporations having interests in his country.

He said that he had in his possession a large number of letters written by owners and representatives of American interests in Mexico, certifying to the fact that conditions with them were quite normal and that they were enabled to prosecute their business without molestation or interference. I called his attention to the fact that the feeling in the United States had no reference to the interests that were undisturbed, but to those that were disturbed; that we were not claiming that all American interests in all of Mexico had been subject to molestation or interference, but that many American interests in many parts of Mexico had suffered from lack of protection in various ways, such as having their property seized and converted to the use of the parties seizing it, their cattle and horses stolen, and in many cases the individual rights and liberties of American citizens seriously interfered with; that the constant reiteration of stories of Mexican outrages on American citizens had produced a condition of mind in this country that had to be taken into account in our dealings with his Government, and that we had called the attention of his Government from time to time to the necessity of greater vigilance in protecting and redressing American rights; that great pressure had been brought upon the President and upon members of Congress for the repeal of the resolution authorizing the President, by proclamation, to forbid the exportation of arms and ammunition to Mexico that would likely fall into the hands of parties engaged in revolution in that country.

We talked over the situation generally and I endeavored to impress upon him the necessity of prompt and effective protection in cases where protection was needed as being the best means of meeting the pressure to which I had referred.

Mr. Lascurain said that he was authorized to assure me that the greatest vigilance would be employed in correcting the matters of which I had spoken; that he could assure me that in Chihuahua and Sonora they would at once restore complete order so that no further complaints would likely come from those States, and would to the very utmost of their ability employ adequate means to the same end in other parts of Mexico.

CLAIMS IN GENERAL.

He said another branch of his mission, and the one which he came to Washington to discharge, was to come to some understanding about various matters of difference between the two countries and referred to the claims that had been made for injuries to American citizens at Douglas and El Paso.

DOUGLAS AND EL PASO CLAIMS. CHAMIZAL CASE. COLORADO RIVER, TLAHUALILO, AND ALAMO CASES.

I then called his attention to the fact that the Chamizal matter was one that it would be wise to have adjusted as early as possible; that the people of Texas were quite concerned in its early settlement and that since last June the Mexican Ambassador here had been promising a reply to the proposition made by this Government as a basis for its adjustment. I sent for Mr. Anderson, the Counselor, and had him explain to Mr. Lascurain somewhat in detail the points connected with the Chamizal case, and Mr. Lascurain assured us that it would receive his immediate attention as soon as he returned to Mexico. I then sent for the Solicitor, Mr. Clark, who took up and discussed in some detail with Mr. Lascurain the El Paso and Douglas incidents, the Colorado River matter, the Tlahualilo case, and the Alamo case.

DOUGLAS AND EL PASO CLAIMS.

The Solicitor having explained the status of the El Paso and Douglas claims—namely, that the report of the military board appointed by the Secretary of War at the direction of Congress to investigate these claims was now before Congress and was still unacted upon by that body—I informed Mr. Lascurain that, pending action by Congress on these claims, the Department was not in a position to discuss them. Mr. Lascurain appeared to desire to forestall a congressional discussion of them, but I gave him to understand that that seemed not now possible.

COLORADO RIVER CASE.

It appeared from the discussion of the matter that the next move in the Colorado River negotiation lay with us, and the Solicitor having indicated that while the Mexican counterdraft contained some things which we could not accept it also contained others which would be unobjectionable to us, and, further, that in no case were the differences of such a character that they could not be easily adjusted. I stated to Mr. Lascurian that it would seem we should be able to make an early arrangement on this matter and that the Department would at once prepare and send to Mexico City a second draft.

TLAHUALILO CASE.

Mr. Lascurain stated, with reference to the Tlahualilo matter and the proposition made by England and the United States to arbitrate the questions involved, that there were some questions in the controversy which they regarded as involving the sovereign rights of Mexico, and that Mexico could not, therefore, undertake to arbitrate them. He added, however, that he was most anxious to secure a settlement of this matter, and stated that he desired to waive a further discussion of settlement by arbitration and to take the matter up with the Tlahualilo Co. and make with them a private settlement. I explained to Mr. Lascurain that if he wished to adjust the matter in this way it seemed that he might reply to the proposal for arbitration, stating that he desired to make a private settlement and requesting that to that end the discussion of the question of the arbitration of the matter be postponed. I also stated to him that such a letter should contain a definite offer of settlement of the controversy between the Government and the company, and I assured him that if the offer of settlement was, in the opinion of the Department, just and equitable the Department would advise the company to accept the terms and that if the company failed to accept the terms it would decline further to interfere in the matter and leave the company and the Mexican Government to arrange the matter between themselves.

ALAMO CASE.

Mr. Lascurain stated that they desired to make an adjustment of the Alamo matter and spoke of the Americans killed there as filibusters. The Solicitor pointed out that the Department had had two investigations made, each of them under directions for the exercise on the part of the investigators of the greatest care, and that such investigation had failed utterly to elicit anything upon which could be based an assertion that the Americans who were killed were filibusters. It was suggested that as this Government obviously desired nothing but what was just and proper in this matter the Department would be very glad to be furnished with the evidence upon which the Mexican Government relied to establish that these people were filibusters. Upon the Solicitor's suggestion that were the facts of the case as they had been disclosed to the Department generally known to the American people, as also the fact that thus far the parties guilty of the crime had remained unpunished, there could not fail to be a strong feeling of resentment in this country which might make the situation difficult, Mr. Lascurain reiterated his desire to reach an early settlement of the case.

Toward the close of the interview I asked Mr. Huntington Wilson, the Assistant Secretary, to come in to meet Mr. Lascurain, and in the presence of the latter briefly recapitulated what had passed during the interview. Being then obliged to go to the Cabinet meeting, I asked Mr. Wilson to confer with other officials of the Department and then to give Mr. Lascurain any information upon any further points that it might be thought useful to develop.

[Inclosure 2.]

Memorandum of conversation between the Assistant Secretary of State and the Minister for Foreign Affairs of Mexico, January 4, 1913.

DEPARTMENT OF STATE,
OFFICE OF THE ASSISTANT SECRETARY,
Saturday, January 4, 1913.

When I was about to telephone to Mr. Lascurain this morning, to say that although there occurred to me no specific points requiring mention beyond those covered in the interview of the previous day, it was announced to me that his excellency had arrived with the Mexican Chargé d'Affaires and desired to see me. I then received Mr. Lascurain, who came in alone.

I explained that it did not seem necessary to mention other specific cases because I was sure all the President or the Secretary had intended to do in mentioning certain cases was to give examples of the sort of cases the prompt settlement of which would redound to better feeling in the United States, thus affording the Mexican Government opportunity to give appropriate signs of friendship and of activity. I remarked that, of course, the archives of the Mexican Foreign Office would be found to contain full information upon very many cases, information as to which had been to it presented by the embassy at Mexico City.

Mr. Lascurain inquired about public opinion in this country and mentioned the fact that very many Americans in Mexico were suffering not at all and were satisfied with the situation. I replied that it was natural that those Americans directly interested who were not suffering should see the situation in a rosy light, while those who were suffering greatly should see it in very dark colors. I added that there was a vastly more important body of public opinion—namely, the opinion of the general public of the United States—which was without direct personal interest in the Mexican situation. Of this general public, I said, there was a small section of persons who cared little for foreign affairs and were indifferent to the fate of their countrymen in foreign countries, but that the great and most important body of public opinion comprised, I thought, the average disinterested citizen who had heard for two years or more of wrongs to and failures to protect his compatriots and their interests in Mexico, and was aware of the remarkably friendly attitude of the Government of the United States and who resented the inadequate return shown in Mexico for this friendship and who was beginning to regard as intolerable the continuance of such a situation in a neighboring republic. The great danger, I said, was that this great public opinion should have cause to reach a point where it could no longer be resisted.

Mr. Lascurain wanted to know in what form there came to the Government the pressure for a change of policy, to which Mr. Knox had alluded. I intimated that it came from reputable editors, public-spirited citizens, students of foreign affairs, and such people who were fairly representative of public opinion, as well as from those who were directly interested in the situation.

Mr. Lascurain intimated his doubt as to the basis for any impression that the Mexican Government was unfriendly or apathetic in its attitude toward American interests. To avoid a useless discussion of matters of fact, I reminded his excellency that we were discussing public opinion, not making allegations.

I emphasized the great lengths of friendliness and patience to which this Government had gone, and referred to the fact that the bandits and rebels in Mexico had been alleging resentment of this policy as a reason for increased depredations upon American interests. I pointed out that this placed upon the Mexican Government a peculiarly heavy moral obligation to protect American citizens and their interests from suffering as a result of the friendly policy of the Government of the United States. I pointed out that a continuance of our policy ought to suggest on the part of the Mexican Government an attitude, not of captious criticism and excessive sensitiveness, but one of active effort to do its utmost share toward making longer possible the policy of the United States, which it was generally admitted had been a sine qua non to the continuance of the Madero administration.

I alluded to the great wrong of occasionally introducing false stories of American aggression as elements in the internal politics of Latin-American countries. I admitted, however, that this had not, so far as I was aware,

been recently done at Mexico City, although this most damaging expedient had been resorted to, I was sorry to say, early in the Madero administration.

The whole interview was most amicable and agreeable. Mr. Lascurain said that he was going home by way of El Paso, where he intended to examine into certain matters on the spot, and he gave the impression that upon his return to Mexico City he expected to be able to do much to improve the relations of the two countries.

Mr. Lascurain said that he would like to have repeated to him the details of what we desired in the Chamizal case and also the details of the other specific incidents which Mr. Knox had mentioned. Since it was not possible to have this done orally immediately, I suggested the possibility of a personal and unofficial letter, recapitulating some of these points. I impressed upon him again, however, that the specific cases mentioned were simply examples and were no complete list. He was anxious that such a letter be written him, either this evening before his departure, or to the Foreign Office to meet him on his arrival at Mexico City.

H. W.

[Inclosure 3.]

Recapitulation of cases discussed at the Department of State with the Minister for Foreign Affairs of Mexico.

CHAMIZAL CASE.

The Mexican Minister for Foreign Affairs, Mr. Lascurain, had a conference this morning at the Department with the Secretary of State and the Counselor for the Department of State with regard to the Chamizal case and expressed a desire on behalf of his Government to reach a prompt settlement, but he stated that he personally was not familiar with the situation or the course of the negotiations up to the present time, and asked that the position and wishes of the Department of State be explained to him. In compliance with this request he was informed that the bases for a settlement which would be acceptable to the Department of State had been handed to the Mexican Ambassador here last spring, and that these bases, together with certain alternative suggestions brought forth by the Mexican Ambassador, had been exhaustively discussed at that time; that at the beginning of the negotiations the Mexican Ambassador had been anxious to secure for Mexico an additional supply of water somewhere along the boundary for irrigation purposes, either from the Rio Grande by enlarging the guaranteed supply under the treaty of 1906 between the United States and Mexico, or from the Colorado River in connection with the settlement of that question; that a careful examination of the situation had shown that it was impossible to increase the guaranteed supply from the Rio Grande, and that combining this case with the Colorado River case would lead to unnecessary delays and complications, and inasmuch as they were wholly unrelated questions it was finally decided that it would be advisable to deal with them separately. The final proposition of the Department of State, therefore, had been to exchange Mexico's claim to a portion of the Chamizal for the Horcon Bar tract, which was equivalent in surface area, although not equal in value, and that the difference in value of that tract and the portion of the Chamizal claimed by Mexico was to be made up by the payment of an amount of money to be agreed upon, which the Mexican Government was to use as compensation for the holders of Mexican titles in the portion of the Chamizal claimed by Mexico, which would be eliminated by the surrender of that claim. He was further informed that when these negotiations were suspended last summer, in consequence of the departure of the Mexican Ambassador, the Government of the United States had been assured by him that he would promptly take the matter up with the Mexican Foreign Office and endeavor to secure new instructions conforming as nearly as possible with the terms of settlement proposed by the United States, and that he expected upon his return to Washington to be able to bring with him two draft treaties, one for the settlement of the Colorado River question and one for the settlement of the Chamizal question; that notwithstanding these assurances the Department of State had received no further communication from the Mexican Ambassador on the subject since his return to Washington this fall except a vague

suggestion of a possibility of the settlement of the Chamizal question on advantageous terms if it was delayed until the settlement of the Colorado River question, or, in the alternative, a more prompt settlement of the Chamizal if some entirely new bases of settlement could be agreed upon. This suggestion was not in writing, but was communicated orally at an interview which was secured only after great delay, and apparently with considerable reluctance on the part of the Ambassador.

The Minister for Foreign Affairs then stated that it would be impossible for him to make any positive reply without consulting the records of the case, which he could not do until his return to the Foreign Office; that he was opposed to delay, and saw no reason why the case could not be settled at once in a way which would be satisfactory to both Governments.

At this point in the conference the Secretary of State called the Minister's attention to the importance to Mexico, as well as to the United States, of reaching a prompt settlement of this and several other questions which had already been unnecessarily delayed, and were likely to occasion considerable friction between the two Governments. In this connection it was stated to the Minister that although the portion of the Chamizal tract claimed by Mexico was comparatively small in area and of no great value, nevertheless it so happened that a number of important American interests were centered in it, including the railroad terminal facilities at that point; and the delay of the Mexican Government in proceeding with these negotiations had aroused strong criticism and feeling.

The Minister for Foreign Affairs then stated again that he was anxious to take the matter up at once and would do so immediately upon his return, and he assured the Secretary of State that a proposal for a settlement would be immediately made by the Mexican Government and that no further delays in negotiation would be permitted, as he was aware of the importance of settling the question promptly, and particularly before the expiration of the two years' period from the date[1] of the award of the Chamizal Arbitration Tribunal.

EL PASO AND DOUGLAS CLAIMS.

The Solicitor having explained the status of the El Paso and Douglas claims—namely, that the report of the military board appointed by the Secretary of War at the direction of Congress to investigate these claims was now before Congress and was still unacted upon by that body—the Secretary of State informed Mr. Lascurain that, pending action by Congress on these claims, the Department was not in a position to discuss them. Mr. Lascurain appeared to desire to forestall a congressional discussion of them, but the Secretary of State gave him to understand that that seemed not now possible.

COLORADO RIVER NEGOTIATION.

The Solicitor having indicated that while the Mexican counterdraft contained some things which the Department of State could not accept, it also contained others which would be unobjectionable to the Department of State, and, further, that in no case were the differences of such a character that they should not be easily adjusted. The Secretary of State stated to Mr. Lascurain that it would seem that the two Governments should be able to make an early arrangement on this matter and that the Department of State would at once prepare and send to Mexico City a second draft.

THE TLAHUALILO MATTER.

Mr. Lascurain stated, with reference to the Tlahualilo matter and the proposition made by England and the United States to arbitrate the questions involved, that there were some questions in the controversy which the Mexican Foreign Office regarded as involving the sovereign rights of Mexico, and that Mexico could not, therefore, undertake to arbitrate them. He added, however, that he was most anxious to secure a settlement of this matter, and stated that he desired to postpone a further discussion of settlement by arbitration and to take the matter up with the Tlahualilo Co. and make with them a private settlement. The Secretary of State explained to Mr. Lascurain that if he wished to adjust the matter in this way it seemed that he might reply

[1] June 15, 1911.

to the proposal for arbitration, stating that he desired to make a private settlement and requesting that to that end the discussion of the question of the arbitration of the matter be postponed. The Secretary of State also stated to him that such a reply should contain a definite offer of settlement of the controversy between the Government and the company, and the Secretary of State assured him that if the offer of settlement was, in the opinion of the Department of State, just and equitable the Department would advise the company to accept the terms, and that if the company failed to accept the terms it would decline further to interfere in the matter and leave the company and the Mexican Government to arrange the matter between themselves.

THE ALAMO MATTER.

Mr. Lascurain stated that the Mexican Government desired to make an adjustment of the Alamo matter and spoke of the Americans killed there as filibusters. The Solicitor pointed out that the Department of State had two investigations made, each of them under directions for the exercise on the part of the investigators of the greatest care, and that such investigation had failed utterly to elicit anything upon which could be based an assertion that the Americans who were killed were filibusters. It was suggested that as the Government of the United States obviously desired nothing but what was just and proper in this matter, the Department of State would be very glad to be furnished with the evidence upon which the Mexican Government relied to establish that these people were filibusters. Upon the Solicitor's suggestion that were the facts of the case as they had been disclosed to the Department generally known to the American people, as also the fact that thus far the parties guilty of the crime had remained unpunished, there could not fail to be a strong feeling of resentment in this country which might make the situation difficult, Mr. Lascurain reiterated his desire to reach an early settlement of the case.

JANUARY 9, 1913.

File No. 412.00/22.

The Secretary of State to the American Ambassador.

No. 1168.] DEPARTMENT OF STATE,
Washington, January 10, 1913.

SIR: The Department has received Mr. Schuyler's No. 1834, of the 30th ultimo, transmitting a copy of a note from the Minister for Foreign Affairs to the British Minister, in regard to claims originating in the present rebellion in Mexico.

You are requested, if it is practicable to obtain the desired information, to report to the Department as to the meaning of the reference in the note to the British Minister to the latter's understanding of the contrast between the revolution of 1910 and the present disturbances in Mexico.

You will also report your understanding of the significance of the statement made by the Foreign Office with regard to this contrast.

I am [etc.]

P. C. KNOX.

File No. 412.11/149.

The Secretary of State to the American Ambassador.

No. 1194.] DEPARTMENT OF STATE,
Washington, January 25, 1913.

SIR: The Department has received your No. 1845, of the 8th instant, in which you invite attention to the seeming discrepancies

in the instructions which the Department has given your Embassy at different times, concerning the claims of American citizens against Mexico. You suggest that the United States adopt a fixed policy in this matter.

The Department feels sure that if a more careful examination had been made of its various instructions regarding claims of American citizens against Mexico the apparent discrepancies and inconsistencies to which you refer, but which were not specifically pointed out in your despatch, would have entirely disappeared.

It was stated in the Department's telegram of April 14, 3 p. m. [1912], that "this Government must hold Mexico and the Mexican people responsible for all wanton or illegal acts sacrificing or endangering American life or damaging American property or interests there situated." Obviously this means acts which are illegal according to the rules controlling in the premises, including the applicable principles of international law, which principles the Department had prominently in mind when the telegram was prepared. Inasmuch as the facts and circumstances which called forth this strong instruction required that the attention of the Mexican Government be called in as forceful a manner as possible to its legal liability to foreigners, it was necessary to state the principle of international law in broad and unqualified terms. To have surrounded the broad principle at that time with a statement of any generally accepted limitations and exceptions would clearly have robbed the telegram of its force and deprived it of its essential purpose.

In its No. 1116, relative to the case of Mr. Miller, the Department made a statement of some of those principles of international law which seem to be applicable under the circumstances set forth. This statement contained the express provision that the principles set forth were subject to exceptions, which exceptions, when established by the particular facts and circumstances of any case, would of course fix the legal liability. This instruction might appropriately be regarded as supplementing the previous instruction and rounding out at a suitable time the statement of the principles of international law therein contained.

In its note regarding the Sherron case the Mexican Government stated very broadly and incompletely the principle of international law with reference to a government's liability for damages suffered by foreigners in times of insurrection, without admitting any exceptions to the rule. It was to the failure of the Mexican note to acknowledge any exceptions to the broad rule of international law therein set forth that the Department instructed you to demur. Clearly the statement of principles of international law contained in the Department's No. 1116 is vastly different from the statement contained in the Mexican note in the Sherron case. If the principle is stated correctly in the Mexican note, Mexican federal troops might stand by and witness wanton destruction of foreign life and property at the hands of rebels whose actions they might easily control, without the Mexican Government's incurring any liability in the premises.

The Department has always intended and still intends to hold the Mexican Government responsible to the full extent of the applicable

and controlling principles of international law for the injuries suffered by American citizens in the recent revolutionary disturbances. However, in order that claimants might know the international law problems which they must meet and in order that the Department might not be regarded as having caused claimants to be unduly optimistic regarding their prospects of recovering indemnity for such injuries, it has seemed proper to the Department to call the attention of persons desirous of presenting claims to some of the pertinent rules of international law such as are noted in your despatch, which rules, as the Department has always stated, are subject to exceptions.

As the claimants and the Embassy have been advised, the Department expects, at an opportune time, to take up for careful consideration all of the claims of American citizens against Mexico which shall have been filed with it, and it is not doubted that such considerations will disclose the international law liability of the Mexican Government with regard to some of these claims. Such liability will, of course, and as above stated, be insisted upon by the United States Government. This is the "fixed policy" of this Government.

The Department remarks, in conclusion, that while it regrets that numerous Americans were unduly hopeful with regard to their claims on account of unwarranted statements which they may have seen in the American and Mexican press with regard to the position of the United States in this matter, it can assume no responsibility whatsoever for their ill-founded expectations; and in the situation thus created it becomes more than ever necessary to represent to claimants the matter of claims in its true light. It would be manifestly against their interests for their claims to be presented at a time not opportune, and it is bootless and but invites disappointment to expect damages for losses suffered if by generally accepted governing rules and principles of international law there is no legal liability therefor.

I am [etc.]

P. C. KNOX.

File No. 412.11T54/205.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, January 30, 1913—7 p. m.

A long interview, based on memoranda of conversations in Washington, was had today by Mr. Schuyler with Minister for Foreign Affairs, who had just come from the President.

The Minister stated that he would shortly send a note declining arbitration in the Tlahualilo case not only because such arbitration was impracticable on basis of protocol but because the Mexican Government and the company would come to an amicable settlement. He would later in a separate communication submit offer of a settlement to the Department, which had agreed to be judge of its justness. He added that Mr. Potter's ideas of settlement could not be enter-

tained for a moment; that he was evasive and insincere to the highest degree, and it was evident that he only desired to gain time. Mr. Schuyler does not think that there is any possibility of the offer being acceptable either to the Department or the company, although he impressed upon the Minister the necessity of prompt settlement of case in view of the attitude he had taken with the Secretary of State.

The Minister thought the Colorado River convention would soon be satisfactorily negotiated.

Regarding Alamo cases he threw up his hands, exclaiming: "Oh, those cases again! I don't know what further can be done about this."

He said concerning Chamizal matter that it was being taken up through Mexican Embassy and could be disregarded here, and that nothing more could be done regarding border cases at present.

WILSON.

(No file number found.)

The American Ambassador to the Secretary of State.

AMERICAN EMBASSY,
Mexico, February 4, 1913.

MY DEAR MR. KNOX: Referring to my telegram of January 30, 7 p. m., which is more or less a confirmation of the correctness of the brief estimate given in my telegram of January 9, 5 p. m., of the true purpose of Mr. Lascurain's representations in the interviews which he had with you and with the Assistant Secretary of State, I deem it my duty to say to you that I very seriously doubt and question the intention of the Mexican Government to make an earnest and diligent effort to remedy the wrongs complained of in our note of September 15. In view of the attitude assumed by Mr. Lascurain upon different occasions when the matters treated of in our note of September 15 were broached, and in view of the circumstance that there is apparently no effort being made in any specific instance to bring about a betterment of conditions or to procure any remedial arrest of the abuses complained of, I am reluctantly constrained to believe that the real purpose of his mission was to secure delay in the hope that a new administration, either with a different policy or necessarily in need of the time requisite for a comprehensive study of the questions at issue, would enable this Government, as frequently happens in dealing with some of the Latin-American nations, to eventually avoid complying with our just demands.

Some of the questions which you discussed with him, like the Chamizal case and the Colorado River case, while of great importance, I have not considered as subjects for diplomatic protest and I am quite willing to believe that they will eventually find a reasonable and just solution. These cases were not recited in our note of September 15, but two others, the Alamo cases and the Tlahualilo case, were incorporated in the note. Concerning these cases Mr. Lascurain, since his return, has assumed an entirely different attitude and bearing than that which I infer from the memoranda he assumed in the discussions had with you and Mr. Wilson. I confess I am deeply disappointed that better results have not followed

your interview with Mr. Lascurain and my purpose in sending this is to prevent any illusions being indulged in by the Department as to the possibility of substantial results flowing from the discussions which took place.

I am [etc.],

HENRY LANE WILSON.

File No. 412.00/23.

The American Ambassador to the Secretary of State.

No. 1888.] AMERICAN EMBASSY,
Mexico, February 5, 1913.

SIR: I have the honor to acknowledge the receipt of the Department's instruction No. 1168 of the 10th ultimo, relative to the correspondence exchanged between the Mexican Minister for Foreign Affairs and the British Minister concerning the status of claims growing out of the revolution.

In order, if possible, to have an authentic explanation of the attitude taken by Mr. Stronge, I wrote both to him and to the Minister for Foreign Affairs and transmit herewith copies of the correspondence exchanged.

The general instructions mentioned by Mr. Stronge are substantially in accord with the position taken by the Government of the United States and by other governments regarding claims, when considered in a general way, and presuppose the non-liability of a government for damages occasioned by insurrectionists over whom it can not exercise control.

I am unable, however, to understand Mr. Stronge's position as regards the difference in character between claims arising from one or the other of the recent revolutions in Mexico. It was taken apparently by him in agreement with statements made by the Minister for Foreign Affairs to which he probably assented without considering their full import and which the Minister cleverly incorporated in his reply to the British note.

The significance of the statement made by the Foreign Office, as I understand it, is that the Mexican Government, wishing to show special consideration regarding the claims arising out of the Madero Revolution, appointed the Consultive Claims Commission with a view to the separate treatment of such claims, and endeavors to emphasize the difference between those claims and others which might be brought forward. Although the commission was heralded abroad as showing the good faith of the Mexican Government in this matter, I am unable to find that its work has resulted in the settlement of a single claim made by any American citizen. Claims have been promptly transmitted to that body for "consideration" and there, so far as I am aware, they still remain. The Mexican Government in thus separating the two classes of claims obviously intended to give preference to the Madero Revolution claims if at some future time it should become necessary to give serious consideration to their settlement.

In view of the fact that the damages to American life and property and consequently the claims arising therefrom growing out of the

Madero Revolution were trifling compared with the losses to American interests due to the subsequent revolutionary disorders throughout Mexico, the appointment of the claims commission has been of no material advantage but on the contrary has served only to delay and befog the question of prompt and adequate settlement of our claims.

I can not see the difference pointed out by the Minister for Foreign Affairs and the British Minister between the two classes of claims mentioned and I should be glad to have the further views of the Department upon this matter, which may at any time assume great importance.

It might be advisable for the Department to exchange views with the British Foreign Office for the purposes of arriving at a common understanding relative to the claims question. The British Minister here agrees entirely too easily with the Mexican Foreign Office in matters affecting all classes of questions growing out of the revolution and it might be well to secure uniformity of policy.

I have [etc.]

HENRY LANE WILSON.

[Inclosure 1.]

The American Ambassador to the Mexican Minister for Foreign Affairs.

AMERICAN EMBASSY,
Mexico, January 21, 1913.

MY DEAR MR. LASCURAIN: Referring to the note which it is understood your excellency wrote to the British Minister in this capital in November last, in which as I am informed the statement was made that the disturbances now occurring in Mexico, "do not have the character of the Revolution of 1910," in the matter of the settlement of claims, I am instructed to obtain from your excellency an explanation of this statement and its significance, since the Government of the United States is unaware that there is any difference between the two movements as they may relate to the question of claims of foreigners for damages to life and property.

Believe me [etc.]

HENRY LANE WILSON.

[Inclosure 2.]

The American Ambassador to the British Minister.

AMERICAN EMBASSY,
Mexico, January 27, 1913.

MY DEAR MR. STRONGE: Mr. Schuyler has handed me a memorandum of a conversation had with you on January 23rd relative to the question of claims against the Mexican Government for damages growing out of revolutionary disturbances in Mexico. In this memorandum Mr. Schuyler states that you quote page 207 of the printed instruction to His Majesty's consular officers, which says:

> Where claims are made for compensation for damages done by insurgents in armed insurrections against a government which was unable to control them, claimants should be reminded that His Majesty's Government do not regard a government as liable in such cases unless that government were negligent and might have prevented the damage arising or unless they pay compensation to their own citizens or subjects or to other foreigners in similar cases, or unless the rebellion has been successful and the insurgent party has been installed in power.

These instructions do not differ in any material way from the printed instructions of the Government of the United States by which this Embassy must be guided in its consideration of the claims of American citizens against

Mexico for damages growing out of the revolutionary disturbances. To that extent we are in full accord, therefore, and doubtless will remain so until such time as His Majesty's Government or the Government of the United States shall, one or the other, modify the established rule. This, however, was not the point which I desired Mr. Schuyler to ask you to be good enough to explain and which I fear he did not make sufficiently clear. In the letter of Mr. Lascurain to you, which I asked Mr. Schuyler to call to your attention, you are placed in the position of assenting to the statement of the Minister that the claims growing out of the Madero revolution differ in character from those growing out of the revolution which has been in more or less active progress since the installation of the present Government. Whether you inadvertently permitted Mr. Lascurain to assume that this was your position or whether you really hold such an opinion and your reasons therefor is what I am endeavoring to ascertain. My Government recognizes no difference in the character of claims growing out of the Madero revolution from those growing out of the more recent revolutionary disturbances and has instructed me to ask Mr. Lascurain for a clearer explanation of the general statement contained in his note to you of November 9th last. At some time in the future my Government intends to take up the matter of claims against the Government of Mexico for damages growing out of revolutionary disturbances in a very active and vigorous way and I am informed that His Majesty's Government intends to do likewise. This circumstance will account for my desire to have the situation made perfectly clear and unembarrassed.

Believe me [etc.]

HENRY LANE WILSON.

[Inclosure 3.]

The British Minister to the American Ambassador.

MEXICO, *January 28, 1913.*

MY DEAR MR. WILSON: I am glad to learn from your letter of yesterday that the general instructions issued by our two Governments in regard to claims are in substantial accord.

As regards Mr. Lascurain's letter to which you refer, I certainly do think that, if the principles laid down in the British instructions are admitted, it must also be admitted that the claims for damages by rebels since the accession of the present Government to power are in [on] a different footing from those resulting from damages by rebels during the previous period. This difference, as I see it, is specially dealt with in the British instructions, for it is expressly stated that except under certain conditions, which are duly specified, His Majesty's Government do not regard a government as liable for compensation for damage done by insurgents in armed insurrection *unless the rebellion has been successful.*

Now, the rebellion against General Díaz' Government was successful and the quondam insurgent chief, Francisco Madero, is now the President. On the other hand the various revolutionary movements directed against the present Government have, so far, entirely failed.

Whatever view our Governments may take of claims for damages by rebels during the present disturbances I think it will be impossible to ignore this distinction. It may be that they will hold that the present Government has shown such negligence in protecting the foreign interests that it must be held liable for the losses incurred, if not in all, at least in many of the cases where claims have been presented. This consideration does not, however, affect the distinction which can, and I think must, be drawn between the present and former claims.

I may mention that in forwarding to Sir Edward Grey a translation of Mr. Lascurain's letter I stated that the latter's proposal to postpone a decision respecting the present claims until the cessation of the disturbances did not seem to me to meet the requirements of the case.

Yours sincerely,

FRANCIS STRONGE.

[Inclosure 4—Translation.]

The Mexican Minister for Foreign Affairs to the American Ambassador.

DEPARTMENT OF FOREIGN AFFAIRS,
Mexico, January 29, 1913.

MY DEAR MR. AMBASSADOR: I have taken notice of your excellency's note of January 21, in which reference is made to a note addressed to the British Minister, wherein, according to your excellency's information, I made the statement that the present disturbances do not have the character of the revolution of 1910, with regard to the payment of indemnities, and your excellency wishes to know the scope of this statement, inasmuch as the Government of the United States does not see any difference between one movement and the other, concerning the question of indemnities to foreigners on acount of damage suffered in their lives and properties.

In reply I have the honor to say to your excellency that in answer to a question from the British Minister as to whether any action had been taken to indemnify British subjects and other foreigners on account of the losses suffered by them in consequence of the present conditions of the country, as was done with the claims presented to the special Consultative Claims Commission which is at present operating, notwithstanding that the circumstances, as stated by the British Minister, are not the same, I said to him that while the disturbances which have occurred during this year in various points of the Republic do not have the character of the revolution of 1910, the Government has not taken any action with reference to the claims of foreigners, because it has been awaiting the conclusion of the above disturbances; but that as soon as any measure is adopted, the same shall be communicated to him.

I have seen no impropriety in causing your excellency to know of this determination, notwithstanding that the note of the British Minister is of a confidential character, and that the reply to it should be considered likewise; but as I do not know the manner in which your excellency became acquainted with these documents, I have preferred to let you know, as I have done by the above lines, the details of this correspondence, in order to avoid comment which might be based on the lack of exact knowledge of the facts. I must say right now that the responsibility which the nation assumed on account of damages caused by the revolution of 1910 was a voluntary act, but that this attitude can not be invoked as a precedent, considering international correspondence on the subject.

I avail [etc.] PEDRO LASCURIAN.

[Inclosure 5.]

The American Ambassador to the British Minister.

MEXICO, *February 3, 1913.*

MY DEAR MR. STRONGE: Replying to your note of January 28th last, for which I beg you to accept my thanks, I have again to say that a claim which has any status under international law is not altered in character by the circumstance of its having originated in either one or the other of the two revolutions which have taken place in Mexico since 1910. A claim which, according to rules now established and universally accepted, is valid as growing out of one revolutionary movement is equally valid as growing out of the other. As to any obligations which this Government may voluntarily assume in dealing with those claims having their origin exclusively in 1910, they must necessarily fall outside the rule and have a peculiar and special character. It is true that this Government has of its own volition established a claims commission to exclusively consider and pass upon claims growing out of the revolution of 1910, but I have yet to learn of any cases decided by this commission wherein the Government has accepted responsibility for the payment of any kind of claims except those falling within the strict rule of international practice. If I am mistaken in this estimate of this Government's present attitude respecting claims I shall be glad to be informed wherein, as I have no knowledge of the adjudication by the Consultive Claims Commission of any claims for which this Government would not be responsible under established precedents.

I am [etc.]

HENRY LANE WILSON.

[Inclosure 6.]

The British Minister to the American Ambassador.

MEXICO, *February 4th, 1913.*

MY DEAR MR. WILSON: I am much obliged to you for your letter of yesterday. As regards my letter to which it is a reply, I do not think that the opinions expressed therein in any way go beyond the tenour of the general instructions issued to British consular officers with which you are already acquainted.

The various arguments and considerations which you have put forward in your letter do not seem to me to be strictly relevant to the point which we were discussing, and I do not think it would be prudent for me to comment upon them in default of explicit instructions from my Government.

Believe me [etc.]

FRANCIS STRONGE.

NOTE.—On February 21, 11 p. m., the Department telegraphed to the Ambassador regarding this Government's attitude toward the Provisional Government of Mexico and recognition thereof. The matter of claims and of such controversies as the Tlahualilo, Chamizal, Colorado River, Alamo, Agua Prieta and Juárez matters are involved in this instruction, which see under Political Affairs.

File No. 312.11/1247.

The Mexican Minister for Foreign Affairs to the Mexican Embassy.[1]

[Memorandum—Translation.]

At the interview I had today with the Ambassador of the United States I offered to act in the spirit of cordiality that prevails in the relations of the two countries and animated by my personal sentiments of friendship toward the Government of the United States, so that all the cases that are to come under my examination and are pending in this Department may be settled on terms favorable to the interests of both countries. [I said] That I indulge the certainty that the excellent disposition manifested by that Government will bear beneficial results in every sense and that they are highly appreciated by the people and Government of Mexico.

DE LA BARRA.

MINISTRY OF FOREIGN AFFAIRS,
Mexico, February 25, 1913.

File No. 312.11/1209.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, February 28, 1913—midnight.

58. Mr. de la Barra began our interview today by saying that he wished our conversation to be considered as friendly and unofficial and not for a moment binding the Provisional Government in any

[1] Translation read to the Secretary of State on February 26, 1913.

wise, as it was simply an exchange of ideas to lead to a definite settlement.

He first took up the Chamizal case and recited at length his discussions with Mr. Knox, indicating he was now prepared to propose an exchange of the territory and that if the United States would cede the islands of San Elizario and Beaver, near El Paso, Mexico would be able, in conformity with national sentiment, to cede El Chamizal based on interpretation of the treaties of 1853 and 1884. The exchange could be made as Mr. de la Barra had proposed while he was Ambassador at Washington, but the arrangements could not be carried into effect until Mexican sentiment had been prepared.

With reference to the Colorado River question Mr. de la Barra said that the matter was now in the Department of State at Washington awaiting the reply to the Mexican counter-project and that his Government was ready to treat with the Embassy here as soon as the attitude of our Government was defined.

With regard to the Tlahualilo question he said that although he had maintained in the Cabinet discussion that it should not be the subject of diplomatic representations and that a decision of the Supreme Court of Mexico in a contention between the Government and a Mexican corporation should not be substituted to arbitration, he nevertheless had strong hopes that he could procure a satisfactory solution by means of a private arrangement between this and another company owning rights in the Laguna region. He added that he hoped soon to be in a position which would justify his sending for the representative of the Tlahualilo Co. for the purpose of arriving at a definite solution.

In regard to the question of claims Mr. de la Barra said that he had not been able to complete the study, but before next Tuesday would give the Ambassador a definite reply concerning this and other questions treated of in our note of September 15 and in my letter to General Huerta.

In regard to Mr. de la Barra's statements relative to the Chamizal question I made no comments, as the case has never been treated in this Embassy and, as I believe, it is the intention of the Provisional Government to meet our views as far as possible. I, moreover, avoided discussion because this question has been submitted to arbitration, which makes our position a delicate one.

In regard to the Colorado River question I am of the opinion, as I have before said to the Department, that the difficulties which exist can be arranged easily and that no disposition exists here to delay effective arrangement.

In regard to the Tlahualilo case I observed that the Government of the United States and that of Great Britain had expressed their disapproval of the Mexican contention that by a decision of the Mexican Supreme Court it became *res judicata*, and said to him very clearly that either the Tlahualilo claimants must be satisfied or the Mexican Government must accept our proposal for arbitration.

Mr. de la Barra seemed to think that his proposals were concessions and that we were on the road to a satisfactory settlement of all pending questions, but I indicated to him the disinclination which my Government would feel in having the questions under discus-

sion involved in a long and profitless controversy, and that we had had plenty of views but were still anxiously looking for facts. * * *[1]

WILSON.

File No. 312.11/1214.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, March 1, 1913—midnight.

64. Mr. de la Barra called at the Embassy this morning for the purpose of a further discussion of matters referred to in my February 28, midnight. He dictated a memorandum which he proposes to submit to the Cabinet tomorrow, part of which is satisfactory and part is not.

His position in the Colorado River and the Chamizal cases, he states, depends on replies now pending from the Department.

In the Tlahualilo matter he made an inadequate offer of an increase of 30,000,000 cubic meters of water annually and was told that it was not discussable. Mr. de la Barra maintains that the decisions of the Supreme Court could not be questioned or submitted to arbitration.

In the matter of our claims for damages in the Douglas, El Paso, and Alamo cases he will recommend to the Cabinet their immediate settlement, after discussion with the Embassy, according to principles of international law.

In the matter of general claims of American citizens growing out of the revolutions he will recommend that they be settled in a spirit of friendly agreement following the precedents observed by the Government of the United States in similar cases.

WILSON.

File No. 312.11/1246.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, March 8, 1913—1 p. m.

92. At an interview with Mr. De la Barra this day the Minister began by saying that he was almost ready to give a decisive answer to the urgent questions now under discussion between us (questions referred to in Department's February 21, 11 p. m.[2]).

Tlahualilo matter: Mr. De la Barra said he expected to have a definite basis agreed upon by Monday which would warrant the coming of interested parties for the purpose of settling the whole question.

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[1] The omitted passage is printed under Political Affairs, p. 749.
[2] See, p. 940, editor's note under this date.

Chamizal matter: He said he would probably, early next week, be authorized (perhaps with some amendment as to land) to accept the Department's proposition for the exchange of the Horcón tract of [for?] the small tract south of the Rio Grande near El Paso. But Mexico would desire to have all questions of payment of money eliminated from the discussion.

Alamo, Douglas and El Paso claims: He would make me a direct offer in the early part of the coming week.

General claims growing out of revolutions: He would arrange a settlement in an amicable discussion with me later. Mexico is willing to follow the precedents adopted by the United States in paying claims not falling within the rules of international law but settled for amicable and humanitarian considerations.

All of the foregoing will be given me in written form early next week.

WILSON.

File No. 412.11/156.

The Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, March 11, 1913—6 p. m.

98. General claims. Your 92, March 8, 1 p. m. None of your references to this general subject of claims growing out of disturbances in Mexico since Department's February 21, 11 p. m.,[1] seems to show a perfectly satisfactory attitude on the part of Mr. de la Barra. The Department asks nothing less than an unequivocal commitment on the part of the administration at Mexico City to the effect that all American claims growing out of disturbances in Mexico shall be submitted to and be adjudicated by an international commission.

BRYAN.

File No. 312.11/1257.

The American Ambassador to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN EMBASSY,
Mexico, March 12, 1913—7 p. m.

102. Minister for Foreign Affairs De la Barra, informed me today that he expected to be able to advise me officially within two days that our views on the Chamizal case would be accepted and that a satisfactory arrangement of the Tlahualilo case would be proposed.

I handed him a paraphrase of the Department's No. 98, March 11, 6 p. m., but as he was just leaving for an official function he simply said such an arrangement would be contrary to Mexican law. I told him that our position would probably be supported by the representatives of France, Germany, Great Britain and Spain.

HENRY LANE WILSON.

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[1] See the editor's note under that date.

File No. 812.00/6681.

AMERICAN EMBASSY,
Mexico City, March 13, 1913.

105. General Huerta told me today that the Chamizal case was agreed upon according to the American proposal; that the Tlahualilo case was arranged in such a manner that its acceptance by the Company would be beyond doubt; that a direct offer for our specific cases of damages growing out of the revolution would be made; that regarding general claims our demands were acceded to in form though there were some difficulties as to methods which would have to be overcome. He added that the intention of the Government was to pay all damages. Will the Department inform me as to whether an official confirmation of this will meet its demands. In the meantime I shall continue to insist upon an international commission.

HENRY LANE WILSON.

File No. 812.00/6681.

The Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, March 14, 1913.

109. Please telegraph text of the proposed Mexican commitments.

BRYAN.

File No. 312.11/1282.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, March 18, 1913—2 p. m.

118. The exact text of a note just received from the Foreign Office follows:

Relative to the questions pending between our Governments, I have the honor to assure your excellency of the friendly attitude of Mexico in its desire to settle them satisfactorily.

The Government of Mexico not only wishes to show that it is moved by the highest sentiments of justice and that it desires to create closer relations with the United States, but to demonstrate by actual deeds that, the national crisis having passed, it wishes to initiate a reorganization of the country by satisfying all claims founded on law and equity.

With reference to the Chamizal case the Government has deeply interested itself in order to establish definite bases to the end that this question may be promptly settled and with this object in view proper instructions will be given to its Ambassador in Washington who will have the prompt settlement of this case as the main object of his diplomatic mission; and inasmuch as it was started and carried on at that capital it would seem that it should be now continued there to a definite conclusion.

With reference to the Colorado River case my Government is awaiting the reply of the Government of the United States to its last note relative thereto.

The case of the Tlahualilo Company was definitely decided by the Supreme Court of the Republic but the Government of Mexico desires to demonstrate its

good intentions toward enterprises which add to the welfare and material progress of the country, and in view of this it will do everything possible in order that the Tlahualilo Company may obtain advantageous arrangements with another or other concerns of those that use the waters of the Nazas River and insure a quantity of water which will satisfy the necessities of its agricultural pursuits. The Secretary of Fomento has made a special study of this case and in accord with my Department will use his good offices toward securing the above arrangements.

Claims pending for the loss of life and other bodily injuries in Douglas, El Paso, and Alamo shall be the subject of a general indemnity proposition on the part of the Mexican Government in order that the question of principle having been settled the amount of each individual claim may be fully and easily determined; therefore this Department is now ready to study the amount of each particular claim and to that end it will discuss the matter with your excellency.

With reference to general claims growing out of the civil struggle I must say to you that a report has been requested from the chairman of the commission. I can say to your excellency that within a very short time, perhaps within one month, a division of the claims, separating them in three classes, will be made, that is: first, those which are acceptable on account of their foundation and amount; second, those which are acceptable in principle but disputable as to their amount; third, those which are totally inadmissible. In this way the negotiations will have a fixed basis, and the work toward the agreement accepted by your excellency and this Department will be considerably simplified to the end of establishing a method for the decision of the cases in which an indemnity is not allowed in accordance with the pretensions of the interested parties and the opinion of your excellency's Government.

I believe that the above will convince your excellency that the President of the Republic has given preferred attention to the matters in question and that when they are definitely decided he will do everything necessary to have them closed as soon as possible and in accordance with the general principles of law and the highest equity.

As soon as compatible with careful study of the foregoing, I desire the Department's instructions thereon. The matters of Chamizal, Tlahualilo, Colorado River, and the Alamo, Douglas and El Paso claims, may be considered as settled in a satisfactory way, as our contentions are acceptable in principle.

In the matter of general claims growing out of the revolutions, it appears to me that although the Minister proposes a solution different from that insisted on by the Department, the Mexican Government is thoroughly in earnest about them. If the Department is of the same opinion, it might be well for it to consider relaxation of its adherence to the international-commission plan of settlement of these claims.

HENRY LANE WILSON.

File No. 312.11/1283.

The American Ambassador to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN EMBASSY,
Mexico, March 18, 1913.

122. My 118, March 18, 2 p. m. The Department should remember, in considering the commitments there referred to, that Mr. De la Barra has already told me that his Government is ready to accept our proposition as to the Chamizal tract.

In the Tlahualilo case that Government will furnish water sufficient to supply the necessities of the company, gauged by the estimates of the company's former engineer, Robles Gil.

In the special damages cases Mexico makes no reservations.

In the general cases the responsibility of the Government has been admitted in principle although it has not agreed to the form of settlement we proposed.

HENRY LANE WILSON.

File No. 812.00/6944.

AMERICAN EMBASSY,
Mexico, March 30, 1913—1 p. m.

145. The necessity for an immediate meeting for the consideration of recognition and of general claims is urged on me by my diplomatic colleagues, but as I have no instructions as to recognition I declined to call a meeting at the Embassy and said I would participate in one at the British Legation. Please send instruction at once.

HENRY LANE WILSON.

File No. 412.00/25.

AMERICAN EMBASSY,
Mexico, March 31, 1913—9 p. m.

148. My March 30, 1 p. m. The opinion was unanimous at an informal meeting of the Diplomatic Corps today that an international claims commission ought to be insisted on, although it was evident that our action will influence all. I stated simply that I could not offer an opinion as to my Government's attitude as I had no instructions.

HENRY LANE WILSON.

File No. 412.00/24.

The Secretary of State to the American Ambassador.

[Telegram—Extract.]

DEPARTMENT OF STATE,
Washington, April 1, 1913.

158. Your 145 of March 30, 1 p. m. * * * As to submitting claims to an international commission you will recall that it was the Department's desire in the first instance, as you were instructed in the Department's telegram of February 21, 11 p. m., to have the Mexican Administration commit itself to this course of action with regard to American claims, it being understood that the membership of such mixed international commission would be entirely American and Mexican, save the umpire who should be from some third and quite disinterested nation. While the Department perceives no objection to having other nations request that the claims of their nationals be submitted to commissions similarly constituted, it believes it could hardly expect Mexico to submit all claims to one general international commission, since (while this Government would not permit itself to be party to such combinations) in this way Mexico might by voting combinations be effectively and entirely deprived of having anything whatsoever to say as to the merits, procedure or adjudication of claims, and, indeed, even the proper settlement of American claims, whose settlement is the paramount consideration both for this country and for Mexico, might be seri-

ously interfered with. Referring again to American claims, nothing that has been said by the Mexican Administration, as reported by you, has given this Government any reason for changing its attitude, and it would seem that the Mexican Administration, in view of all the circumstances, should readily have assented to having the American claims dealt with in this way.

BRYAN.

NOTE.—The part omitted from the above telegram refers to recognition of the Huerta Government and is printed under Political Affairs.

File No. 812.00/7101.

The American Ambassador to the Secretary of State.

No. 1914.] AMERICAN EMBASSY,
Mexico, April 1, 1913.

SIR: I have the honor to enclose herewith for the information of the Department a memorandum of an interview held at the National Palace with the Provisional President of Mexico on March 27, 1913, at 5 p. m.

I have [etc.]

HENRY LANE WILSON.

Memorandum of interview between the American Ambassador and the President of Mexico on March 27, 1913.

[Extract.]

Before leaving the Embassy for the National Place, the Ambassador made a memorandum of the three following matters to be discussed with President Huerta:[1] * * *

(3) International Claims Commission.

The Ambassador called the President's attention to a telegram he had shown Mr. de la Barra from an important business man now in Washington to another person of this city, in which it was assured that if the Mexican Government would adopt the idea of an international claims commission to take charge of the study and settlement of just claims, the present Government of Mexico would be immediately recognized by Washington. The President said that he had seen the telegram and that he was of the opinion that such course ought to be favorably considered by the Cabinet; that he was going to take it up in a most vigorous way at the next meeting to be held early next week and would personally bring the result of the Cabinet's deliberations to the Ambassador's attention.

File No. 412.00/26.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico City, April 8, 1913.

169. Department's 158 of April 1. I laid a paraphrase thereof before a meeting at the Embassy yesterday of the diplomatic rep-

[1] The first two matters are: (1) "General conditions throughout the Republic"; (2) "The Zapatista movement"; which are omitted as irrelevant.

resentatives of Austria, France, Germany, Great Britain, Italy, Norway and Spain, called to consider the attitude of the Diplomatic Corps toward the settlement of claims against Mexico growing out of the revolutions since 1910. The opinion was unanimous that our position should be supported by all Governments having claims of this character, and a common form of telegram was drafted for address to each interested Government except the British, which has already instructed its Minister here to support our proposal.

Later in the day, on interviewing the President and Mr. De la Barra, I informally mentioned the attitude the Governments above referred to would probably take as to claims. The President made no comment but Mr. De la Barra again urged acceptance of the plan outlined in my March 18, 2 p. m.

HENRY LANE WILSON.

File No. 812.00/7431.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase—Extract.]

AMERICAN EMBASSY,
Mexico, May 8, 1913—8 p. m.

225. The President yesterday informed me that public opinion was being greatly irritated throughout the country on account of the delay of our Government in recognizing the present Provisional Government. * * * He said that on this account his Government did not feel that it would be justified, in view of a hostile public opinion and of the undignified position in which it would be placed by so doing, in concluding the important questions at present pending between the two Governments—that is to say, the Chamizal and Colorado River cases and the special and general claims cases. He added that the Washington Government's views in these cases—together with the Tlahualilo case, which had been entirely concluded—had been accepted in principle by this Government, and that whenever the Government of the United States would place this Government in the position of settling the questions as matters between two friendly and sovereign if not equally powerful countries their solution might be expected.

I replied briefly that the views of the President and Secretary of State on this question had not been communicated to me and asked if he desired me to transmit the substance of what he had said to Washington. He asked me to do so.

HENRY LANE WILSON.

File No. 412.00/23.

The Secretary of State to the American Ambassador.

No. 1337.] DEPARTMENT OF STATE,
Washington, June 21, 1913.

SIR: The Department has received your No. 1888, of February 5, 1913, transmitting correspondence with the Foreign Office and with

your British colleague in regard to the claims arising from the different revolutionary outbreaks in Mexico.

It being assumed that the so-called Madero revolution was successful, it would appear that, under the generally accepted rules of international law, claimants seeking compensation for damages caused during that revolution would, as a class, be in a better legal position than would persons whose claims arose out of an unsuccessful revolution.

The statement in your notes to the Mexican Foreign Office and the British Minister, that the Government of the United States perceived no distinction between the two classes of claims, appears to have been made upon your own responsibility and without instructions from the Department. Probably it was intended to convey the opinion that claims arising out of the late revolutionary movements were valid; but it might, on the other hand, be construed as involving a renunciation or waiver of the benefit of the rule which imposes upon successful revolutionists liability for their acts. You will therefore take occasion to inform the appropriate authorities that the statements contained in your note of January 21, 1913, were made on your own responsibility, and were not intended to admit a doubt as to any of the established grounds of international liability; and you should make a similar expression to the British Minister with relation to the statements contained in your letter to him of January 27, 1913.

I am [etc.]

For the Secretary of State:

J. B. Moore.

File No. 412.00/28.

The American Ambassador to the Secretary of State.

No. 1998.] American Embassy,
Mexico, July 7, 1913.

Sir: I have the honor to acknowledge the Department's No. 1337, of June 21, 1913, in which I am directed to reopen with the British Minister and the Mexican Foreign Office the question of claims growing out of a successful revolution and those growing out of an unsuccessful one.

While the correspondence had upon this subject with the Mexican Government and with Mr. Stronge, the British Minister, was initiated upon my own responsibility and the position therein taken was taken upon my own responsibility, I was, in the course I pursued, guided solely by a desire to protect a vast and growing array of American claimants whose rights, it appeared to me, would be placed in jeopardy if this Government were able even by inference to establish its right to avoid responsibility for the claims growing out of the revolution against Madero, which was unquestionably the design it had under cover.

The American claims growing out of the revolution against the Madero Government are in number and amount infinitely greater than those growing out of the brief and comparatively peaceful revolution against General Diaz. I should say that the relative

losses could best be expressed in the figures 10 to 1. Since the revolution against Madero as such did not succeed, but was followed by a totally unconnected revolution which did succeed, the claims against the Madero revolution would be weakened by the action which the Department desires taken and the claims growing out of the Madero revolution would not be strengthened at all. These two classes of claims must now be added to the claims growing out of the revolution against General Huerta, which can not yet be defined as those occasioned by a successful or unsuccessful revolution. Having these considerations in mind and also the circumstance that we are insisting that all American claims shall be assigned to the judgment of an international claims commission, I cannot, unless the Department shall see fit to reiterate these instructions, assume the responsibility of hazarding, by what appears to be an unnecessary discussion, the rights of a vast majority of the American claimants.

I have [etc.]

HENRY LANE WILSON.

File No. 412.00/28a.

The Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, August 25, 1913.

What claims, if any, of foreign governments against Mexico have been paid, in part or in full, since the beginning of Madero's administration? What were the amounts thereof? What was the amount of the Covadonga award? Has it been paid?

BRYAN.

File No. 412.00/29.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico City, September 1, 1913.

471. Department's August 25. No claim, to my knowledge, has been paid since the Madero revolution, in which the Government admitted liability. Several have, however, been paid with the understanding that such payment should not be held as a precedent and that the same should be considered gratuitous. The Covadonga indemnity which amounted to 400,000 marks was made the subject of direct negotiations between the German Legation here and the Mexican Government. It was paid some time during the year 1912, the German Minister threatening to make the facts of the case public property through the European press; and I was credibly informed at the time that in the event of Mexico's refusal he would have recommended the sending of a warship to Vera Cruz to enforce the demands of his Government. Other claims paid by this Government have been generally negotiated through some firm of

lawyers directly [omission in transmission] the Government. I do not know at the present moment another case where a diplomatic mission has secured payment of an indemnity to its nationals excepting Covadonga.

NELSON O'SHAUGHNESSY.

File No. 412.00/30.

The American Chargé d'Affaires to the Secretary of State.

AMERICAN EMBASSY,
Mexico, October 1, 1913.

No. 2081.]

SIR: Referring to previous correspondence regarding the matter of claims against the Government of the United Mexican States, I have the honor to transmit to the Department herewith a report of a meeting held between certain foreign representatives resident in Mexico and the Subsecretary for Foreign Affairs, Don Carlos Pereyra, on the 22nd of July, 1913.

This meeting was not participated in by any member of this Embassy, but I feel sure that while it may not be instructive to the Department, it will at least be of interest as showing the attitude of this country towards claims of foreigners.

I have [etc.]

NELSON O'SHAUGHNESSY.

[Inclosure—Translation—Extract.]

Minutes of a meeting relative to the creation of a commission for the settlement of claims growing out of the disturbances in Mexico.

At the invitation of the Subsecretary for Foreign Affairs, the Ministers of Spain, France, Great Britain, Italy and Belgium, the Chargés d'Affaires of Germany and Austria-Hungary, assembled at the Foreign Office and Licenciado Don Carlos Pereyra, Subsecretary for Foreign Affairs, proceeded to explain to them the purpose of the meeting in the following terms:

"The Government of Mexico having considered the notes of several foreign ministers, relating to claims growing out of damages caused by the revolution, and having made a study of the suggestions contained in said notes with reference to the creation of mixed commissions, the Mexican Government considers it fit to make the following statements:

"In the first place, it desires to set in relief, in a clear and precise manner, its purpose to satisfy the just wishes of the nationals represented by your excellencies, provided that these nationals represent in Mexico live forces which have helped and will help the progress of the nation.

"In the second place, the Government of Mexico desires that such indemnities as may be granted should be allowed within a short period of time. There is no doubt that the ministers who proposed the creation of mixed international commissions had in mind the efficiency of the results; but the Government of Mexico is of the opinion, without discarding the idea of the international commissions, that there might be a way by which the intention of my Government to settle just claims, and to reach decisions on the matter as speedily as possible, may both be accomplished at the same time. Therefore my Government believes that the idea it will submit to your excellencies will be more efficacious than the international mixed commissions.

"My Government proposes to your excellencies the appointment of a Mexican commission, formed by an uneven number of members, not more than five, chosen from the most distinguished, independent and honorable persons.

"It might be objected to this idea that the Government, supposing that the idea is accepted by your excellencies, would prefer lawyers. Several of

the ministers have expressed the opinion that lawyers would by professional tendency evade the merits of cases and go into questions of an entirely technical character; but in private conversations with the ministers who raised this objection I stated that the Government of Mexico would not insist upon the appointment of only members of the bar, even though it is convenient that a legal guidance should be had, but that the commission should be composed of a few lawyers and business men able to consider every feature of the claims presented to them for decision.

"It might be further objected, that we have the example of the former commission, now studying claims presented against the Government; but I must say that there is a marked difference between the old and the proposed commission. In the first place, the former commission has to take cognizance of claims from nationals as well as foreigners, and the one proposed will be confined exclusively and distinctly to the study of claims by foreign ministers. This is a point of notable difference.

"The second point is of still greater importance. It would consist in giving the commission a fixed period of time, say of four or five months, to pass upon all claims presented, establishing their merits—that is, their consistency—and the amount to be awarded.

"With reference to the procedure, formality will not be observed, inasmuch as it is the intention that the commission shall act both as a conscientious tribunal and as a jury, in accordance with its best knowledge and belief—a tribunal of honest men, to use the phrase of the old Spanish laws—which will decide whether there is any right in support of the indemnity and will fix the amount, be it one, five or a hundred thousand pesos.

"I believe, in short—if the ministers have faith in the good intentions of the Mexican Government, in the desire it has to show the nations represented by your excellencies its purpose to do right when the nation again resumes its course of progress and production, and if the ministers are persuaded that this high tribunal will be formed by absolutely irreproachable and respectable men, from the point of view of their moral and intellectual character, and, in conclusion, if the ministers bear in mind the desirability of speedy accomplishment of practical results—that this idea will not only be well received, but that it will be followed by closer bonds between Mexico and the nations represented by your excellencies."

His Excellency Mr. Stronge, Minister of Great Britain, made the following statement:

"Mr. Minister, we have instructions from our Governments to suggest the creation of an international commission. Therefore we have not the right, the power, to accept your proposition. But I believe, though I do not know whether I can voice the sentiments of my colleagues, that the only thing I can do is to inform my Government of this proposition, which may be accepted if it is regarded as appropriate."

His Excellency Paul Lefaivre, Minister of France, expressed himself in the following words:

"Evidently, in order to recommend the idea to my Government, I would have to inform it concerning the constitution of the commission, because, so far as I am concerned, the results obtained through the commission created two years since are not encouraging, but rather to the contrary; and in order to recommend the idea I shall have to supply my Government with concrete motives persuading me of the worth of the commission. After being apprised of the persons who are to form the commission, I may be able to say to my Government: This is a tentative proposal, the last to which we can submit, to see whether we can attain results; otherwise we will have to return to our purpose as already accepted by our Governments, that is, to suggest a mixed commission."

Subsecretary Pereyra replied as follows:

"The statement just made by the Minister of France has already been considered by me; in fact, I referred to the commission now operating in anticipation of an objection of this character, and I said that the Government of Mexico desires to avoid the repetition in this commission of the objections to the former one. Mexico is persuaded that one of the means by which it can secure the cooperation of the persons, capital and great institutions of the nations here represented is undoubtedly the settlement of this question. We are not in the condition of Mexico in 1830 or 1838 when we defended ourselves against claims presented by nations which exerted pressure upon us, and when we,

without any other hope than that of eluding the burden which had fallen upon us, had to resort to jurisprudence and all possible forms of international law, to evade the evils by which we were menaced. I believe that at this moment Mexico is no way depressed; it may be deeply concerned, but it has great hopes and the certitude that with the cooperation of civilized nations it will yet see a new flourishing of civilization. In view of this, the question of distrust should be laid aside.

"The Minister of France has referred to the unsatisfactory results of the commission now operating, and I could also refer to the unsatisfactory results obtained from international commissions; in many cases, after the effect of them has been frustrated, diplomatic or some other action has been adopted to settle such difficulties as have been left unattended to by an international commission.

"Therefore, if we are to establish a national commission, we are not going to reproduce past errors but prevent them, and this is to be done in two ways: First, the formation of a commission that will guarantee the desires of the Ministers; second, the procedure: if the method adopted leaves no room for a postponement, then it can not be said that we are resorting to the commission tentatively but are fully hopeful of arriving at a satisfactory result."

The Minister of Italy said: That he appreciated the explanation made by Mr. Pereyra and had full faith in him; that the idea of the creation of a Mexican commission does not exclude the formation of a mixed one, if the former should be a failure, and that in this way some of the representatives, such as the British Minister, could meet the instructions they had from their Governments.

The Minister of Belgium said that he also appreciated the explanation made by Mr. Pereyra, but would like to learn the names of the persons who were to form the Commission.

Subsecretary Pereyra spoke again, as follows:

"I will answer the suggestions of the Belgian Minister. The guaranty sought by the nations represented by your excellencies concerning the formation of the commission is regarded by me as perfectly just; and it seems to me that I have said that the Mexican Government would appoint persons of an irreproachable character, that is, such as would cause your excellencies to congratulate yourselves upon their appointment and to have nothing more to say than that the names of the commissioners were a sufficient guaranty."

The French Minister said:

"Since we accept the principle, I believe we should be informed upon the rules under which the commission will admit claims."

Mr. Pereyra said:

"I will at once say that with reference to the term, we must not place any limitation. I believe that the claims which have been presented to this date, a complete list of which is in the possession of the Foreign Office, will furnish the data for the manner of operation of the commission.

"With reference to rules, they will be brief and precise, as they will be applied by an equity court, what is called in Spain a tribunal of good men, who will regard every indication tending towards the results.

"We would pass over the principles of international law, the rigor of which would be entirely set aside, and we would state that this is done for the purpose of inspiring good will and with a desire for closer relations.

"The Minister of Spain has not allowed us to hear his opinion, and I should like very much to hear it."

The Minister of Spain said:

"With reference to the formation of the commission, we know there must be something of jurisprudence and law, as should be the case; but we have the assurance that formalities will be avoided, and in this I am absolutely in accord, because I have always maintained that to adhere blindly to the letter of a code is the thing which is most in opposition to justice.

"With reference to the consultative commission, I see an inconvenience in the restrictive term which would limit the commission to June 5. Besides, there is the question of private patrimony as interpreted by the consultative commission, (and in this connection I attribute a great value to the remarks of Mr. Pereyra, when he tells us that the commission proposed by him will treat only cases in which foreigners are concerned, which is, in fact, a further guaranty), as this question of private patrimony and the incompetency of the commission in cases of death, has for me a very great interest not only because among my nationals I have had similar cases, but because, in due justice, I be-

lieve that the widows and orphans of a man without fortune are much more worthy of an indemnity, than a man several times a millionaire who may have suffered the misfortune of seeing his estate reduced to one million pesos.

"There is another question of positive interest which we must take up. For example, in the promise that all legal formalities will be set aside. I suppose exaggerated formalities. In the Consultative Claims Commission, where I have to go often, I have found that the receipts signed by rebel chiefs, perfectly well known, have to be legalized and certified to in each case through the efforts of the person in interest. All of this will be set aside in the present case. Therefore, I, for my part, have heard my colleagues with pleasure and I adhere to the ideas of Mr. Pereyra."

The Minister of Italy closing the argument:

"It appears, Mr. Minister, that, more or less, we are all in complete accord."

The Subsecretary said:

"If such is the case, I am greatly pleased by the result."

The meeting then adjourned.

File No. 412.00/30.

The Secretary of State to the American Chargé d'Affaires.

DEPARTMENT OF STATE.

No. 1447.] *Washington, October 15, 1913.*

SIR: The Department has received your No. 2081, of October 1, enclosing a translation of the minutes of a meeting between the Subsecretary for Foreign Affairs and certain members of the Diplomatic Corps, to consider the creation of a commission for the settlement of the claims of foreigners against Mexico, growing out of the disorders in that country.

The enclosure to your despatch has been read with interest, and you are requested to keep the Department fully informed of any further developments.

I am [etc.]

For the Secretary of State:
J. B. MOORE.

File No. 812.00/9559.

The American Consul at Hermosillo to the Secretary of State.

AMERICAN CONSULATE.

No. 589.] *Hermosillo, October 28, 1913.*

SIR: I have the honor to report that in view of the fact that General Carranza had named a few members of his Cabinet, I took the opportunity of asking him whether he expected to remain in Hermosillo for the present, name his entire Cabinet and make Hermosillo the provisional capital of the Republic. He said that for the present he expected to remain here and, in view of the fact that the Constitutionalists were in actual possession of the largest part of the Republic, his was a de facto government and therefore it is necessary for him to name the principal members of his Cabinet.

He also desired me to send to the Department the copies enclosed of circular instructions issued at different times. He told me he had given instructions never to take anything from anyone, either goods or money, without giving a proper receipt for the same.

I have [etc.]

LOUIS HOSTETTER.

[Inclosure 1.]

The manner in which the Constitutionalists propose to settle claims for damages arising out of revolutionary conditions.

CLAIMS FOR DAMAGES.

Venustiano Carranza, First Chief of the Constitutional Forces, to all the inhabitants of the Republic—Take notice:

By virtue of the extraordinary powers conferred upon me, I have issued the following decree:

ARTICLE I. We recognize the right of all natives and foreigners to demand payment for all losses sustained during the revolution of 1910, that is to say, for the period between November 21, 1910, and May 31, 1911.

ARTICLE II. We recognize the equal right of natives and foreigners to demand damages for losses that they have suffered and which they may suffer during the present troubles; that is to say, from February 19, 1913, until the restoration of Constitutional order.

ARTICLE III. We recognize the same right of foreigners to demand payment for damages suffered through the revolutionary forces or armed groups during the period between May 31, 1911, and February 19, 1913.

ARTICLE IV. As soon as the First Chief of the Constitutional Army reaches the capital of the republic, and in accordance with the Plan of Guadalupe assumes executive power, he will appoint a commission of Mexican citizens charged to receive, discuss and liquidate all demands that may be made for damages suffered in the periods mentioned in Articles 1 and 2 of this decree.

ARTICLE V. At the same time he will name a commission as mentioned in the previous article in accord with the diplomatic representatives or special representatives that may be commissioned by each government to which the foreign claimants belong, and will proceed to name a mixed commission including an equal number of Mexicans and foreigners, the latter belonging to the nationalities of the claimants, for the purpose of receiving, discussing and liquidating all demands that may be presented in accordance with the first three articles of this decree.

ARTICLE VI. The form, time, terms and conditions under which shall be paid the claims for damages which may be presented, as well as the organization, procedure and other matters connected therewith, shall be decided by the commissions and shall be upheld by a special law which will be passed at an opportune time.

Let this decree be published and circulated and given due heed.

MONCLOVA, *May 10, 1913.*

VENUSTIANO CARRANZA,
First Chief of the Constitutional Forces.

[Inclosure 2.]

Circular No. 3.

RESPECTING THE PERSONS AND PROPERTY OF FOREIGNERS.

In view of the fact that public opinion throughout the country has been strongly unified and that the Mexican people have with patriotic enthusiasm embraced the idea of the Constitutionalist cause; and it being expedient to avoid as far as possible the damages and losses brought about by all armed movements, and to avoid also all possible conflicts that may arise between the Republic of Mexico and any foreign country for damages that may be caused to its citizens, either personally or to their property—I hereby command, as First Chief of the Constitutionalist Army, that all officers in command of forces endeavor by all possible means to prevent their subordinates and inferiors from taking and disposing of any property pertaining to foreigners, and that they shall take especial care of the persons of foreigners, using all patriotic zeal. Only in cases of extreme necessity and when the taking is fully justified shall those officers and chiefs take and dispose of supplies for their troops, giving the necessary receipts for the same.

Communicate this to all military officers for their strict observance.

PIEDRAS NEGRAS, COAHUILA, *June 17, 1913.*

V. CARRANZA,
First Chief of the Constitutional Forces.

[Inclosure 3.]

Circular No. 4.

RECEIPTS FOR ARTICLES FURNISHED.

It has come to my knowledge that some officers and chiefs of the Constitutionalist forces operating in the State of Durango have not issued any documentary evidence to the interested parties for the arms, horses, munitions of war, provisions and other articles demanded for the sustenance of the cause. All those chiefs and officers are hereby notified to issue receipts to the interested parties who shall demand them for all articles given them heretofore, and hereafter they shall issue receipts for what may be given to them at the time of delivery.

The First Chief of the Constitutionalist Army desires to take only those things that are necessary for the maintenance of the forces, giving the necessary receipts, in order that their value may be paid at the triumph of the cause.

This notice is hereby given to all chiefs operating in the Republic.

CANATLAN, DURANGO, *August 10, 1913.*

V. CARRANZA,
First Chief of the Constitutional Forces.

[Inclosure 4.]

Circular No. 5.

ALL PECUNIARY ASSISTANCE TO BE REPAID.

All persons and institutions who have given any kind of pecuniary assistance to the Constitutionalist chiefs and officers for the organization and maintenance of their forces, and who may not have the necessary receipts, are hereby notified to call upon the above chiefs and officers in order that the necessary documents may be given them, so that their value may be fixed and they may be paid at the triumph of the Constitutionalist cause.

CANATLAN, DURANGO, *August 10, 1913.*

V. CARRANZA,
First Chief of the Constitutional Forces.

File No. 412.00/32.

The American Chargé d'Affaires to the Secretary of State.

No. 2138.] AMERICAN EMBASSY,
Mexico, December 10, 1913.

SIR: Referring to the Department's instruction No. 1447 of October 15, 1913, I have the honor to inform you that both the French and Russian Governments have definitely refused to accept the proposition made by the Mexican Foreign Office under date of July 22, 1913,[1] in the matter of the claims of their nationals against Mexico growing out of the disorders therein, and have informed the present administration here in this sense.

In the event of my being able to procure more definite details in the premises I shall forthwith inform you.

I have [etc.]

NELSON O'SHAUGHNESSY.

[1] This is the date of the meeting described in the inclosure to Mr. O'Shaughnessy's despatch of October 1.

CHAMIZAL CONTROVERSY.[1]

File No. 711.1215/372.

The Mexican Embassy to the Department of State.

[Translation.]

No. 427.]

The Embassy of Mexico has the pleasure of presenting its compliments to the Department of State and the honor to inform it, under telegraphic instructions from the Ministry of Foreign Relations, that the Government of Mexico, hearing that the Pearson firm proposes to establish industrial plants on a lot in the Chamizal zone, hastens to bring the matter to the attention of the American Government, having no doubt that it will, with its customary sense of justice, intervene to maintain the status quo now existing in the zone until the international boundary line ordered by the award of the Arbitration Tribunal[2] that decided the case shall have been established.

MEXICAN EMBASSY,
Washington, October 3, 1911.

File No. 711.1215/374.

The Mexican Ambassador to the Secretary of State.

No. 510.] DEPARTMENT OF STATE,
Washington, October 12, 1911.

EXCELLENCY: The memorandum[3] of the Department of State, replying to that of this Embassy dated September 12, concerning the Chamizal award, was received today.

I am communicating its contents to the Ministry of Foreign Relations and am awaiting instructions before addressing your excellency again on the subject.

Meanwhile I have [etc.]

GILBERTO CRESPO Y MARTÍNEZ.

File No. 711.1215/372.

The Department of State to the Mexican Embassy.

MEMORANDUM.

The Department of State has the honor to acknowledge the receipt of the memorandum of the 3d instant in which the Embassy of Mexico states [etc.]

The Department would be glad to be informed by the Embassy in what respect it is supposed that the proposed action by the Pearson

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[1] Continued from For. Rel. 1911, pp. 565–605. See also For. Rel. 1912, p. xix, for reference in the Address of the President to Congress; and pp. 706–707 for reference by President Madero in his Message to the Mexican Congress.

[2] For. Rel. 1911, pp. 573–587.

[3] For Rel. 1911, pp. 604–605. The memorandum under acknowledgment is that of October 6, 1911.

firm violates the arrangement for the maintenance of the status quo as set forth in the Department's note of March 22, 1910,[1] the Embassy's note of June 9, 1910,[2] and the Department's note of June 17, 1910.[3]

With reference to the concluding portion of the Embassy's memorandum, attention is drawn to Article 8 of the convention for the arbitration of the Chamizal case, signed June 24, 1910,[4] and to the recent correspondence with the Embassy[5] setting forth the views of the Department with regard to the award rendered in that case.

DEPARTMENT OF STATE,
Washington, October 18, 1911.

File No. 711.1215/389a.

The Secretary of State to the American Ambassador.

No. 671.] DEPARTMENT OF STATE,
Washington, December 11, 1911.

SIR: I enclose herewith a copy of the reply of the Embassy of Mexico[6] to the Department's memorandum of October 6, 1911, in regard to the Chamizal controversy, which was communicated to you by this Department's No. 576 of October 13, 1911.[7] I also enclose a copy of the Department's latest memorandum[8] to the Embassy concerning the same case.

You are requested to keep in touch with the matter at the Mexican Foreign Office, and to make such informal and oral representations from time to time as may be deemed appropriate, to the end of expediting favorable action on the part of the Mexican Government.

I am [etc.]

HUNTINGTON WILSON.

File No. 711.1215/391.

The Secretary of the International Boundary Commission to the Secretary of State.

[Telegram.]

EL PASO, TEXAS, *December 14, 1911.*

Land in Chamizal tract desired for use of Pearson Plant covered by suits numbered 441 to 451 inclusive in trespass to try title brought in United States Circuit Court western district Texas fall term 1906 by Texas and Pacific and El Paso and Northeastern Railroads against some sixty-two defendants. Sequestration writs issued in all these cases and Marshal took possession of all property on February 15, 1907, except those parcels of land described in suit number 450 as being occupied by Patricio Martínez, G. Baca and Aurelio Muñóz, who gave the necessary replevin bonds, and Santiago Granada, who was not properly served in first instance. On April 13 and October 10,

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[1] For. Rel. 1910, p. 716.
[2] Id. 720.
[3] Id. 721.
[4] For. Rel. 1911, p. 568.
[5] Id. 598 et seq.
[6] The note of October 12.
[7] Not printed.
[8] Of October 18.

1907, the United States District Attorney intervened on behalf of United States and asked for continuance, which were ordered by court with instructions that no further process or writ be executed until further ordered by court. And so these cases stand.

Deputy Marshal Hillebrand advises me in writing that he is in possession of the land covered by suits with the exceptions above mentioned, and I have verified this by personal examination. Deputy Marshal states he can turn over property to railroads immediately upon receipt of instructions from Marshal to accept their bond. As Marshal was in possesison of this land on March 15, 1910, with exception of what [was] occupied by four parties above mentioned who will not now be disturbed, I am of opinion that the taking over of this land by railroads would not violate agreement for status quo, and recommend that Department cause Marshal to be given instructions to accept bond. Apparently to [no?] good purpose would be served either Government by continuing the present satisfactory [unsatisfactory?] conditions on the property in question, while great good will be done the communities on both sides of the river if this large enterprise be permitted to proceed with its plant. Mexican Commissioner telegraphed requesting intervention and I have written him advising him of facts in case. Unless I receive instructions to contrary will leave here Saturday.

WILBUR KEBLINGER.

File No. 711.1215/392.

The Mexican Ambassador to the Secretary of State.

[Telegram—Translation.]

MEXICAN EMBASSY,
Washington, December 15, 1911.

In compliance with urgent telegraphic instructions from my Government I beg your excellency to be pleased to interpose good offices to prevent Marshal Hillebrand from forcibly ejecting various occupants Chamizal zone, some of them holding Mexican titles, which would be an injury to Mexicans and a violation of the status quo. Department of [Foreign Relations of] Mexico was informed.

CRESPO.

File No. 711.1215/395a.

The Department of State to the Mexican Embassy.

MEMORANDUM.

The Department of State ventures to recall to the attention of the Embassy of Mexico the recent correspondence with regard to the Chamizal case, more particularly the Embassy's memorandum of September 12 [1], the Department's memorandum of October 6 [2], the Embassy's response of October 12 [3], and the Department's aide-mémoire of August 24 [4].

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[1] For. Rel. 1911, p. 603.
[2] Id. 604–605.
[3] See ante.
[4] For. Rel. 1911, pp. 598–600.

In its aide-mémoire of August 24 the Department stated:

> The ever present possibility of friction between the citizens of the two countries on the tract in dispute renders it highly important that the long-standing controversy as to the international boundary line at El Paso and Juárez be settled as speedily as possible.

Advices which have come to the Department of State since that time merely accentuate, in its judgment, the importance of a speedy understanding with regard to this matter which until it is settled will be a constant source of irritation on the border, irritation which, in spite of the best efforts of the two Governments, may at any time lead to the most regrettable results.

Under these circumstances the Department of State begs to request that the Embassy of Mexico will again be so good as to communicate with the Mexican Foreign Office so that the Government of Mexico may be fully advised of the importance which the Government of the United States attaches to the speedy and just solution of this long-standing difficulty.

DEPARTMENT OF STATE,
Washington, December 16, 1911.

File No. 711.1215/394.

The Mexican Ambassador to the Secretary of State.

[Translation.]

No. 777.] MEXICAN EMBASSY,
Washington, December 16, 1911.

EXCELLENCY: My Government has just telegraphed me that it has been informed by the Mexican Consul at El Paso, Texas, that the Mexicans have been expelled from the Chamizal zone by the American authorities. I have the honor to bring to your excellency's knowledge this act, which constitutes a flagrant violation of the status quo agreed to by both Governments, feeling assured that you will clearly perceive the urgent necessity of restoring their possessions to those from whom they have been taken and that from your sense of justice and uprightness you will be pleased to interpose your highly valuable good offices to the end that the said status quo be respected in the Chamizal zone, whereby my Government would be spared the painful duty of formulating a formal protest against such a breach.

I have no doubt that your excellency will once more demonstrate your love of justice and good will toward the Government of Mexico by giving this request all the urgent support that the case requires, for which I most earnestly thank you in advance.

I have [etc.]

GILBERTO CRESPO Y MARTÍNEZ.

File No. 711.1215/395.

The Secretary of the International Boundary Commission to the Secretary of State.

[Telegram.]

EL PASO, TEXAS, *December 18, 1911.*

Referring status quo Chamizal tract. Since my telegram of 14th Mexican Commissioner officially protested against evictions in Chamizal without compliance with terms of agreement pending representations by Mexican Government. I called on Marshal for explanation of alleged evictions and he advised that he had permitted certain parties to occupy vacant houses on land in question with understanding that they leave when requested. He so requested some ten days ago and they left land as soon as other houses could be obtained. There were no forcible evictions. Weather was bitterly cold and as these people are extremely poor every opportunity was given them to find other homes and railroad companies placed small sum of money at disposal of Marshal to assist them in order to prevent suffering. Eight persons removed from the land and I have investigated the case of each one and find absolutely no intention to establish or maintain any possession adverse to that of Marshal and therefore not sufficient to meet the requirements for occupancy under Mexican title filed by agreement.

WILBUR KEBLINGER.

File No. 711.1215/395.

The Secretary of State to the Secretary of the International Boundary Commission.[1]

[Telegram.]

DEPARTMENT OF STATE,
Washington, December 20, 1911.

Communicate the text of your telegraphic reports of December 14 and 18 to the Mexican Commissioner, Puga.

KNOX.

File No. 711.1215/395.

The Secretary of State to the Mexican Ambassador.

DEPARTMENT OF STATE,
No. 90.] *Washington, December 22, 1911.*

SIR: Referring to your note of October 3 last, and the Department's response under date of the 18th of the same month, I have the honor to acknowledge the receipt of your telegram of the 15th instant, in which you request the good offices of the Department to prevent the United States Deputy Marshal at El Paso, Texas, from "forcibly ejecting various occupants [of the] Chamizal Zone, some of them holding Mexican titles" and your note of December 16th,

[1] See the title given Mr. Keblinger in the telegram of February 7, 1912.

in which you say that the Mexican Government has been informed "by the Mexican Consul at El Paso, Texas, that the Mexicans have been expelled from the Chamizal Zone by the American authorities" and request the good offices of the Department to the end that the status quo may be respected in the Chamizal Zone.

In reply to your telegram and note, I beg to say that the Department feels assured that in view of the telegraphic reports of Mr. Keblinger, the officer appointed by the Department to pass upon the question of possession on March 15th, 1910, under claim of prima facie Mexican title, copies of which are enclosed for your Excellency's information, your excellency will recognize that some misapprehension exists on the part of the Mexican Consul at El Paso, as to what has taken place in the Chamizal tract.

As your excellency will observe, no lands within the Chamizal Zone are in question under the present circumstances except certain lands which since 1907 have been in the undisputed possession of the United States Marshal under writs of sequestration issued out of the Federal Courts. It appears from Mr. Keblinger's telegraphic report that the Marshal had "permitted certain persons to occupy vacant houses on the land in question with understanding that they leave when requested. He so requested some ten days ago and they left land as soon as other houses could be obtained." None of these persons, however, could fairly be regarded as entitled to protection under the status quo agreement between the United States and Mexico, since, as they were on the land not under claim of prima facie Mexican title but by permission of the United States Marshal in whose possession the land has been since 1907, they were not covered by its provisions.

As to the three defendants in the original suits who gave replevin bonds and the one defendant who was not served, they are entirely undisturbed, as will be observed from Mr. Keblinger's reports.

As your excellency is aware, the terms of the status quo agreement between the two countries are set forth in this Department's note of March 22, 1910,[1] the Embassy's note of June 9, 1910,[2] and this Department's response of June 17th, 1910,[3] while article VIII[4] of the convention of June 24, 1910, providing for the arbitration of the Chamizal Case, extends for two years longer the time during which the two Governments have consented to abide by these terms, although the award which has been rendered is not regarded by this Government as valid and binding.

In its note of March 22nd, 1910, this Department proposed "to appoint an officer who shall be authorized to pass upon the question of the existence of prima facie Mexican title and of the fact of actual possession under such title March 15, 1910, and to report to this Department the cases wherein ejectment should be prevented by virtue of international comity."[5] In your note of June 9, 1910, you accepted the Department's proposals with respect to the status quo, with the proviso "that the decisions of the commissioner to be designated by the Department of State shall have but a provisional character and shall not impair the rights that the interested parties may have on the land."

[1] For. Rel. 1910, pp. 716–719.
[2] Id. 720.
[3] Id. 721.
[4] For. Rel. 1911 p. 568.
[5] For. Rel. 1910, p. 718.

This Department, in its note of June 17, 1910, responded as to this point: "By this the Department understands your excellency to mean that the decision of the Commissioners designated by this Department shall have force and effect only pending the arbitration and shall have no effect whatever as regards the ultimate title to the lands in question after the decision of the international commission."

Your excellency will observe that in accordance with the arrangement set forth in this exchange of notes the two Governments agree to commit the determination as to the existence of prima facie Mexican title and actual possession thereunder on March 15, 1910, to an officer to be designated for that purpose by the Department of State, whose decisions are to be deemed effective during the life of the status quo agreement (since extended as above noted for two years) although the two Governments were careful to stipulate that these decisions should have only a provisional character and should in no wise prejudice the ultimate rights of parties in interest after the termination of the period fixed as the limit of the status quo agreement.

It is not doubted that your excellency will recognize in the Department's attitude in this matter its earnest desire scrupulously to comply with the letter and the spirit of the status quo agreement between the two countries and that your excellency, in the light of the facts and circumstances herein set forth, will agree with the Department in its conclusion that the present action of the United States Marshal at El Paso in no wise violates the status quo agreement.

Accept [etc.]

P. C. KNOX.

File No. 711.1215/406.

The Mexican Ambassador to the Secretary of State.

[Translation.]

MEXICAN EMBASSY,
Washington, January 30, 1912.

No. 959.]

EXCELLENCY: In compliance with special instructions received by me from the Department of Foreign Relations, I have the honor to say to your excellency that in view of the information contained in note No. 90 of the 22nd of December, 1911, from the Department under your worthy charge, the accompaniments thereto, and other information subsequently received, the Government of Mexico is of opinion that there was no violation of the conditions of the existing status quo in the recent ejection by Marshall Hillebrand of occupants of land in Chamizal intended for the Pearson establishments, and the formal desire of the Department of State to comply strictly with the said status quo agreed to by the two countries is acknowledged with satisfaction.

I take [etc.]

GILBERTO CRESPO Y MARTÍNEZ.

File No. 711.1215/406.

The Secretary of State to the Officer of the United States in charge of the maintenance of the status quo in the Chamizal Tract.

DEPARTMENT OF STATE,
Washington, February 7, 1912.

SIR: I enclose herewith for your information a copy of a note [1] from the Ambassador of Mexico at this capital, stating that the Government of Mexico is of the opinion that there was no violation of the status quo in the Chamizal Tract in the recent ejection of occupants of land therein intended for the Pearson establishment.

I am [etc.]

P. C. KNOX.

File No. 711.1215/410.

The Mexican Ambassador to the Acting Secretary of State.

[Translation.]

No. 1122.] MEXICAN EMBASSY,
Washington, March 9, 1912.

EXCELLENCY: With reference to the correspondence previously exchanged between the Department and this Embassy and especially to your excellency's memorandum dated December 16, 1911, relative to the Chamizal case, and in compliance with special instructions from the Department of Foreign Relations of my country, I have the honor to inform your excellency that the Mexican Government adheres to the opinion that the Chamizal case was finally decided: because the Tribunal of Arbitration conformed to the procedure agreed upon by both Governments; because the President of the said Tribunal, the Honorable Eugene Lafleur, was chosen by the two countries, which took into account the high reputation for learning and probity of that jurist, of which he gave high evidence in the hearings of the case; because the two Governments agreed, with the completest formality that can be given to an international covenant, to abide by the award; because the opinion that one of the parties may form as to the said award being defective or ineffective does not confer upon it the right to quash it; and lastly because the admission of the opposite proposition would strike at the root of the high conquest achieved by the nations in looking to arbitration as the means of settling international disputes.

Notwithstanding the foregoing statement, the Mexican Government, desiring for its part no abatement of the cordiality of the relations that bind it to the Government of the United States, is disposed to listen to such proposals as that Government may see fit to make, and the Government of Mexico will give them the full consideration they deserve, on the understanding that they are not to deal with the question of the validity of the arbitral award nor the possibility of determining scientifically the site of the river bed in 1864.

I renew [etc.]

GILBERTO CRESPO Y MARTÍNEZ.

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[1] Of January 30.

File No. 711.1215/411.

The American Ambassador to the Secretary of State.

No. 1309.] AMERICAN EMBASSY,
Mexico, March 12, 1912.

SIR: Referring to the Department's instruction No. 671 of December 11, 1911, relative to the Chamizal case, I have the honor to report that during an interview which I had with the President on March 11th I brought this matter to his attention and expressed to him the deep concern felt by my Government that some new basis might be found for a settlement of this long-enduring and vexed question satisfactory to the interests and honor of both countries. The President replied that he understood that the conclusions reached by the International Boundary Commission were unsatisfactory in some measure to both countries but that if an arrangement should be made for a reconsideration of the question involving the readjustment of the frontier line at that place such arrangement should also include the consideration and adjustment of certain other points of difference on the frontier. He added that he would give Mr. Calero instructions to send me a note on the subject within a few days.

I have [etc.]

HENRY LANE WILSON.

File No. 711.1215/412.

The Acting Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, March 26, 1912.

Your No. 1309 of March 12. Seek a personal and informal interview with the President before the possible departure of Calero for Washington. Express the gratification of this Department at the disposition of the President, shown in the interview you reported, to reach a practical solution of the Chamizal question, for an early settlement of which this Government is most solicitous. Add that the Department was glad to learn, from the note of the Mexican Embassy of March 9, that Mexico is willing to consider the proposals of this Government "on the understanding that they are not to deal with the question of the validity of the arbitral award or the possibility of scientifically determining the site of the river bed in 1864."

By this the Department understands that neither Government is to be expected at any stage in the proposed negotiations to admit the correctness of the contention of the other with respect to these two mooted questions; and that without prejudice to the position of either Government—which positions may be expressly recited if desired—the negotiations will seek solution on a basis of mutual convenience.

As suggested in its memorandum of August 24 last, the Department desires the details to be taken up in personal negotiations at Washington as soon as possible. You will express the hope that

the Ambassador here may be so instructed as to enable him to take them up without delay.

You are authorized to discuss this matter in your discretion personally and informally with the Foreign Office and especially with Calero.

HUNTINGTON WILSON.

File No. 711.1215/410.

The Acting Secretary of State to the Mexican Ambassador.

DEPARTMENT OF STATE,
Washington, March 30, 1912.

EXCELLENCY: I have the honor to acknowledge the receipt of your note of the 9th instant, setting forth the position of the Mexican Government with respect to the validity of the award in the Chamizal case, in which you state that:

> Notwithstanding the foregoing statement, the Mexican Government, desiring for its part no abatement of the cordiality of the relations that bind it to the Government of the United States, is disposed to listen to such proposals as that Government may see fit to make, and the Government of Mexico will give them the full consideration they deserve, on the understanding that they are not to deal with the question of the validity of the arbitral award or the possibility of determining scientifically the site of the river bed in 1864.

By this language, in connection with the memoranda of the Department of August 24th and October 6th last, to which the Embassy is responding, the Department understands the Embassy to mean that neither Government is to be expected at any stage in the proposed negotiations to admit the correctness of the contention of the other with respect to the validity of the award and the possibility of scientifically relocating the site of the river bed in 1864. The Department understands that, without prejudice to the position of either Government with respect to the two matters mentioned, which positions may be expressly recited if so desired, the proposed negotiations will seek a solution upon a basis of mutual advantage.

This Government is desirous, as suggested in the memorandum of this Department of August 24th last, that the details of the proposed arrangement be taken up in negotiations in Washington as soon as possible, and the Department expresses the hope that, in case the Embassy in this city is not already empowered to that end, the Mexican Government will deem it appropriate to authorize the Embassy to take up these negotiations without delay.

With high appreciation of your Government's courteous action in the matter, I avail [etc.]

HUNTINGTON WILSON.

File No. 711.1215/411.

The Acting Secretary of State to the American Ambassador.

No. 783.] DEPARTMENT OF STATE,
Washington, March 30, 1912.

SIR: The Department has received your No. 1309 of the 12th instant, regarding your interview with President Madero on the pre-

ceding day, concerning the Chamizal case, and encloses herewith, for your information in connection with its telegram of March 26, 5:00 p. m., in reference to the same matter, a translation of a note addressed to the Department on the 9th instant by the Ambassador of Mexico, stating that his Government is willing to consider such proposals as the United States may make, without dealing with the question of the validity of the arbitral award or with the practicability or determining scientifically the course of the Rio Grande in 1864.

I am [etc.] HUNTINGTON WILSON.

File No. 711.1215/417.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, April 1, 1912.

In pursuance of Department's telegram of March 26, I had a conference today with the President and the Minister for Foreign Affairs, both of whom agreed with me that Mr. Calero should carry to Washington full instructions and should immediately take up the discussion.

WILSON.

File No. 711.1215/423.

The Chargé de Affaires of Mexico to the Acting Secretary of State.

[Translation.]

MEXICAN EMBASSY,
No. 1475.] *Washington, May 9, 1912.*

EXCELLENCY: Confirming my conversation of a few days ago with Mr. Dearing of the Department under your most worthy charge, I have the honor to say that the Department of Foreign Relations of Mexico informs me that Señor Licenciado Don Manuel Calero, appointed Ambassador of Mexico to the United States of America, holds the instructions and powers necessary to take charge of the negotiations relative to the final settlement of the Chamizal case.

I have [etc.]

ARTURO DE LA CUEVA.

File No. 711.1215/423.

The Secretary of State to the Mexican Ambassador.

DEPARTMENT OF STATE,
Washington, June 6, 1912.

EXCELLENCY: I have the honor to acknowledge the receipt of Señor de la Cueva's note of the 9th ultimo, by which he informs the Department that your excellency holds the instructions and powers necessary to take charge of the negotiations relating to the final settlement of the Chamizal case, and beg to say in reply that due note has been taken of Señor de la Cueva's statement.

Accept [etc.]

P. C. KNOX.

File No. 711.1215/429

The Acting Secretary of State to the American Ambassador.

No. 884. DEPARTMENT OF STATE,
Washington, July 1, 1912.

SIR: I inclose herewith for your information a copy of tentative bases for a convention between the United States and Mexico for the settlement of the Chamizal case and other related questions, the original of which was, on the 28th ultimo, handed on the part of the Department to Señor Algara, the Second Secretary of the Mexican Embassy.

I am [etc.]

HUNTINGTON WILSON.

[Inclosure.]

TENTATIVE BASES FOR A CONVENTION FOR THE SETTLEMENT OF THE CHAMIZAL CASE AND OTHER RELATED QUESTIONS ALONG LINES OF PRACTICAL CONVENIENCE PROPOSED ON THE PART OF THE UNITED STATES FOR CONSIDERATION WITHOUT PREJUDICE TO THE CONTENTIONS OF EITHER GOVERNMENT IN REGARD TO THE VALIDITY OF THE CHAMIZAL AWARD.

1. A Preamble reciting that certain differences have arisen and still subsist between the United States and Mexico in regard to the proper interpretation to be given certain provisions of the Boundary Treaties in force between the two countries and with respect to the location of the international boundary line near El Paso, Texas, and Juárez, Chihuahua; and reciting further that differences have arisen and still subsist between the two Governments as to the validity and binding effect of the decision of the International Boundary Commission in the Chamizal Case, the United States maintaining that said decision is absolutely invalid for all purposes and of no binding effect whatever for the reasons set forth in the dissenting opinion of the American Commissioner[1] and in the protest of the American Agent, and the Government of Mexico on the other hand maintaining the validity of said decision[2]; therefore, in order to obviate these differences and to avoid like differences in future, the two Governments, as a matter of practical convenience, have agreed to negotiate a convention on the following tentative bases:

2. A declaratory interpretation of the Treaty of Guadalupe Hidalgo of February 2, 1848; the Treaty of Boundary of December 2, 1853, and the Boundary Convention of November 12, 1884, as establishing or recognizing the "centre of the normal channel of the Rio Grande" from its mouth "to the point where the parallel 31° 47′ north latitude crosses the same" as a fluvial or arcifinious international boundary line between the United States and Mexico, subject at all times to the principles laid down in paragraphs three and four.

3. A declaratory interpretation of Articles I and II of the Convention of November 12, 1884, and Article IV of the Convention of March 1, 1889, as referring only to two classes of changes: first, changes by "erosion," i. e., the erosion of one bank and the deposit of alluvium upon the other; and second, by "avulsion," i. e., "the cutting of a new bed, or, when there is more than one channel, by the deepening of another channel" than that previously recognized as the boundary.

4. A further declaratory interpretation that these two classes of cases embrace all the changes and all the classes of changes, other than artificial changes, which have occurred in the channel of said river since the signature of the Treaty of 1848, or may occur hereafter, except the special class of changes provided for in the Convention of March 20, 1905, for the elimination of the bancos in the Rio Grande.

5. The above declaratory interpretations apply in all respects to the Rio Colorado where it forms the international boundary line.

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[1] For Rel. 1911, pp. 587–594. [2] Id. 600–603.

6. In order to terminate forever certain differences which have arisen and still subsist between the two Governments with respect to the location of the international boundary line near El Paso, Texas, and Juárez, Chihuahua, it is hereby specifically recognized that from the point where parallel 31° 47′ north latitude intersects the channel of the Rio Grande to a point immediately below the more easterly of the two tracts of land segregated from Mexico and the United States, respectively, by the artificial cut-off of 1901, the boundary line follows the centre of the normal channel of the Rio Grande, which boundary line at present is substantially as shown by the red line on a map to be prepared by the two sections of the International Boundary Commission and signed by the Plenipotentiaries.

7. In order to preclude the possibility of any question with respect to private titles, the Government of Mexico recognizes the validity of the private titles derived from grants of the State of Texas to the lands in the small portion of land southerly from the present channel of the Rio Grande and lying between it and the abandoned channel of 1901, the same being substantially as shown on the map referred to in paragraph six. The Government of the United States recognizes the validity of titles derived from Mexican grants in the so-called Córdova Tract, being the tract bounded westerly, northerly and easterly by the abandoned channel of the Rio Grande of 1901 and southerly by the present channel of the Rio Grande, and being substantially as shown on said map.

8. It is furthermore specifically agreed that the international boundary line at the artificial bar known as El Horcón shall follow the centre of the normal channel of the Rio Grande, which channel at present is substantially as shown on a map signed by General Anson Mills, United States Commissioner, and Señor Don F. B. Puga, Mexican Commissioner, accompanying the Joint Journal of the International Boundary Commission of October 24, 1906, now on file in the archives of the two Governments.

9. In order to preclude the possibility of any question with respect to private titles the Government of Mexico recognizes the validity of the private titles derived from grants of the State of Texas to the lands within the so-called bar of El Horcón as shown on the map referred to in paragraph eight, supra.

10. The three parcels of land segregated by artificial cut-offs and mentioned in paragraphs 6 and 8 shall be marked by the International Boundary Commission in accordance with the rules adopted by the Commission for the marking of bancos under the Convention of March 20, 1905.

11. If, in the course of the negotiations, it should appear that the readjustment of the boundary line herein provided renders it equitable that any difference in the area or value of lands falling thereby to the respective parties should be equalized through the payment of a money consideration, suitable provision shall be made therefor in this convention.

DEPARTMENT OF STATE,
Washington, June 28, 1912.

No. 711.1215/448a.

The Secretary of State to the American Ambassador.

No. 1170.] DEPARTMENT OF STATE,
Washington, January 14, 1913.

SIR: Referring to the Department's instruction of July 1st last transmitting for your information a copy of tentative bases for a convention between the United States and Mexico for the settlement of the pending Chamizal controversy and other related questions, which bases had been communicated to the Mexican Embassy in this city in June last, I will state for your further confidential information in connection with this case, the substance of a conference at the Department on the 3rd instant between the Mexican Minister of Foreign Affairs, Mr. Lascurain, and myself.

Mr. Lascurain expressed a desire on behalf of his Government to reach a prompt adjustment of the Chamizal controversy, but he stated that he personally was not familiar with the situation or the

course of the negotiations up to the present time, and asked that the position of the United States Government and its wishes be explained to him. In compliance with this request he was informed that tentative bases for a settlement which would be acceptable to this Government had been communicated to the Mexican Embassy here last spring, and that these bases, together with certain alternative suggestions brought forth by the Mexican Ambassador, had been exhaustively discussed at that time; that early in the negotiations it appeared that the Mexican Government was prepared to effect a settlement on the basis of exchanging its claim to the Chamizal tract for a guaranteed supply of water somewhere along the boundary for irrigation purposes, either from the Rio Grande by increasing the amount to be delivered under the treaty of 1906 with Mexico, or from the Colorado River in connection with the settlement of the question of the distribution of the waters of that river and other related questions; that, however, a careful examination of the situation had shown that it was impossible to enlarge the supply of water from the Rio Grande guaranteed by the treaty of 1906; and that combining the negotiations for the settlement of the Chamizal question with those for the adjustment of the Colorado River matters would lead to delays and complications which would unduly postpone the settlement of the question, and inasmuch as the subjects of the two controversies were wholly unrelated, it was finally decided that it would be advisable to deal with them separately. Finally the Ambassador was left with the tentative proposition of the United States that the Mexican Government exchange its claim to a portion of the Chamizal for the Horcón Bar tract, which was considerably larger in surface area, although not equal in value; and that the difference in value between the latter tract and that portion of the Chamizal claimed by the Mexican Government be offset by the payment to Mexico of an amount of money to be agreed upon, which the Mexican Government should use as compensation for the holders of Mexican titles which would be eliminated by the surrender of the Mexican claim to the Chamizal. Mr. Lascurain was further informed that when these negotiations were suspended last summer in consequence of the temporary absence of the Mexican Ambassador, this Government had been assured by the Ambassador that he would confer with the President of Mexico and with the Minister of Foreign Affairs with a view to obtaining new instructions, and that he expected upon his return here to be able to bring with him two draft treaties, one arranging for the settlement of the Colorado River question and one for the settlement of the Chamizal question; that notwithstanding these assurances this Government had received no further communication from the Mexican Ambassador on the subject of the Chamizal since his return to Washington this fall, except a vague suggestion of a possibility of an arrangement of the Chamizal matter on advantageous terms if it was delayed until the settlement of the Colorado River question, or, in the alternative, a more prompt settlement of the Chamizal if some entirely new bases of settlement could be agreed upon. This suggestion was not in writing, but was communicated orally at an interview which was secured after great delay and apparently with considerable reluctance on the part of the Ambassador.

The Minister for Foreign Affairs then stated that it would be impossible for him to make any positive reply without consulting the records of the case, which he could not do until his return to the Foreign Office; that he was opposed to delay, and saw no reason why the case could not be settled at once in a way which would be satisfactory to both Governments.

At this point in the conference the Minister's attention was called to the importance to Mexico as well as to the United States of reaching a prompt settlement of this and several other questions which had been unnecesarily delayed, and were likely to occasion considerable friction between the two Governments. In this connection it was stated to the Minister that although the portion of the Chamizal tract claimed by Mexico was comparatively small in area and of no great value, nevertheless it so happened that a number of important American interests were centered in it, including the railroad terminal facilities at that point; and that the delay of the Mexican Government in proceeding with these negotiations had roused strong criticism and feeling among those interests, which were far-reaching in their influence.

The Minister of Foreign Affairs then stated that he was anxious to take the matter up at once, and would do so immediately upon his return to Mexico, and he assured me that a proposal for a settlement of the Chamizal question would be immediately made by the Mexican Government and that no further delays in negotiations would be permitted, as he was aware of the importance of settling the question promptly, and particularly before the expiration of the two years' period from the date of the award of the Chamizal Arbitration Tribunal of June 15, 1911.

This outline of the conference with Mr. Lascurain is sent to you for your information merely, and it is not desired that any action be taken thereon except upon further instructions from the Department.

I am [etc.]

P. C. KNOX.

File No. 711.1215/454.

The Mexican Embassy to the Department of State.

[Memorandum—Translation.]

Fundamental ideas out of which to evolve the bases for the settlement of the Chamizal question:

1. Both countries adhere to the attitudes they have respectively taken on the matter and to the scope given by each to the final award.

2. In view of the foregoing and by way of compromise as well as in consideration of the fact that El Chamizal is an integral part of the city of El Paso, Mexico will desist from claiming sovereignty rights over the said tract in consideration of the obligation assumed by the United States to deliver one or more American tracts of land on the right bank of the Rio Grande equal in area to the Chamizal, said tracts passing to the control and sovereignty of Mexico.

3. By virtue of the principle laid down in the first clause, both parties agree that the Chamizal award does not establish any prece-

dent whatever as to the construction to be given to the boundary treaties and conventions in force between the two countries. In consequence it will be left to future negotiations between the two Chancelleries to define whether the Rio Grande is to be declared the arcifinious line from the year 1852, date of the Emery-Salazar survey, or whether it is to be considered arcifinious from the date only on which both Chancelleries shall reach an understanding on the subject.

4. In view of the assertion always made by Mexico that the parts of El Chamizal covered by titles of Mexican origin must be considered as being under a valid title, and whereas the American Government for its part does not acknowledge the validity of those Mexican titles, it is agreed, by way of compromise, as follows: (A) A commission or tribunal appointed by both Governments and composed of three representatives, one a Mexican, another an American and a third chosen by these two, will examine the alleged Mexican titles to determine their value from the standpoint of civil law, laying aside, to that effect only, any question of international law that might affect the juridicial range of such titles. (B) When any title shall have been found valid, in the form above stated, the land covered by said title shall be located and appraised, its present actual merchantable value being taken into account, and the value shall be paid by the American Government to the lawful holder of the title, by way of indemnification, the said title being thereby extinguished and annulled.

EMBASSY OF MEXICO,
Washington, January 27, 1913.

File No. 711.1215/452.

The American Ambassador to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN EMBASSY,
Mexico, January 30, 1913.

I am informed by the Minister for Foreign Affairs that the Chamizal matter will be taken up through the Mexican Embassy and can be disregarded here.

WILSON.

File No. 312.11/1209.

AMERICAN EMBASSY,
Mexico, February 28, 1913—midnight.

58. Mr. De la Barra began our interview today by saying that he wished our conversation to be considered as friendly and unofficial and not for a moment binding the Provisional Government in any wise, as it was simply an exchange of ideas to lead to a definite settlement.

He first took up the Chamizal case and recited at length his discussions with Mr. Knox, indicating he was now prepared to propose an exchange of the territory and that if the United States would cede the islands of San Elizario and Beaver, near El Paso, Mexico

would be able, in conformity with national sentiment, to cede El Chamizal based on interpretation of the treaties of 1853 and 1884. The exchange could be made as Mr. De la Barra had proposed while he was Ambassador at Washington, but the arrangements could not be carried into effect until Mexican sentiment had been prepared. * * *[1]

WILSON.

File No. 312.11/1214.

AMERICAN EMBASSY,
Mexico, March 1, 1913—midnight.

64. Mr. De la Barra called at the Embassy this morning for the purpose of a further discussion of matters referred to in my February 28, midnight. He dictated a memorandum which he proposes to submit to the Cabinet tomorrow, part of which is satisfactory and part of which is not.

His position in the Colorado River and the Chamizal cases, he states, depends on replies now pending from the Department.

In the Tlahualilo matter * * *[1]

WILSON.

File No. 711.1215/455.

The Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, March 3, 1913—8 p. m.

69. Your 58, February 28, midnight, and your 64, March 1, midnight, Chamizal case.

The Department is at a loss to understand Minister de la Barra's suggestion of a settlement of the Chamizal case through the cession by the United States of San Elizario and Beaver Islands, except upon the theory that Señor de la Barra has not had opportunity to become conversant with the recent course of the negotiations. For reasons explained to Señor de la Barra when he was Ambassador here and since then repeatedly pointed out to Ambassador Calero, the cession of San Elizario Island is absolutely impossible and can not even be discussed by this Government. You will so inform the Minister of Foreign Relations at once, adding that the Department is under the impression that Beaver Island, as such, no longer exists. His proposition is, moreover, entirely inconsistent with the whole course of the negotiations for the past year, culminating in a recent memorandum by the Mexican Embassy in this city, containing tentative bases which, in the opinion of this Department, afford a reasonable basis for discussion, although naturally the Department will desire to propose certain modifications.

You will point out these considerations to the Foreign Minister and say to him that if a settlement is to be reached it must be upon these bases, certainly not less favorable to the United States than those already proposed by his predecessor in office.

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[1] The remainder of this telegram is irrelevant to the present subject; it is printed under Claims of American citizens against Mexico, etc.

The substantive modifications which the Department proposes to the Embassy's recent propositions are, first, the inclusion of the Córdoba tract as well as the Chamizal tract in the United States, the boundary line being so drawn that the Horcón tract and the small tract near El Paso south of the river would fall to Mexico; second, a provision that the awards of the proposed commission should in no case exceed the appraised value of the lands in question as fixed by the tax assessors in El Paso at the date of the award without taking into account any improvements except those, if any, made by claimants under Mexican private title.

A prompt commitment of the settlement of this question along these lines is regarded by the Department as of the utmost importance.

KNOX.

File No. 812.00/6681.

The American Ambassador to the Secretary of State.

[Telegrams—Extracts.]

AMERICAN EMBASSY,
Mexico, March 13, 1913.

105. General Huerta informed me today that the Chamizal case was agreed upon according to the American proposal.

WILSON.

File No. 312.11/1282.

AMERICAN EMBASSY,
Mexico, March 18, 1913—2 p. m.

118. The exact text of a note just received from the Foreign Office follows:

Relative to the questions pending between our Governments, I have the honor to assure your excellency of the friendly attitude of Mexico in its desire to settle them satisfactorily.

The Government of Mexico not only wishes to show that it is moved by the highest sentiments of justice and that it desires to create closer relations with the United States, but to demonstrate by actual deeds that, the national crisis having passed, it wishes to initiate a reorganization of the country by satisfying all claims founded on law and equity.

With reference to the Chamizal case the Government has deeply interested itself in order to establish definite bases to the end that this question may be promptly settled and with this object in view proper instructions will be given to its Ambassador in Washington who will have the prompt settlement of this case as the main object of his diplomatic mission; and inasmuch as it was started and carried on at that capital it would seem that it should be now continued there to a definite conclusion.

With reference to the Colorado River * * *.[1]

I believe that the above will convince your excellency that the President of the Republic has given preferred attention to the matters in question and that when they are definitely decided he will do everything necessary to have them closed as soon as possible and in accordance with the general principles of law and the highest equity.

As soon as compatible with careful study of the foregoing, I desire the Department's instructions thereon. The matters of the Chamizal, Tlahualilo, Colorado River, and the Alamo, Douglas and

El Paso claims, may be considered as settled in a satisfactory way, as our contentions are acceptable in principle. * * *[1]

HENRY LANE WILSON.

File No. 711.1215/458a.

The Acting Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, March 27, 1913.

144. Referring to recent telegraphic correspondence relating to Chamizal case, the Department understands that the general assurances contained in your No. 118 of March 18, 2 p. m., when construed in the light of Mr. De la Barra's assurances reported in your No. 105 of March 13, that "the Chamizal case was agreed upon according to the American proposal", means that Mexico reaffirms as the bases of the proposed negotiations the fundamental ideas set forth in the Mexican Embassy's memorandum of January 27, with the substantive modifications contained in the Department's telegram of March 3, that is: inclusion of the Córdova Tract and the limitation of the amount of the proposed awards.

You will address a note to the Foreign Office stating that this is the Department's understanding and quoting textually the substantive modifications of the Mexican Embassy's memorandum proposed in the telegram of March 3 from the Department to you.

ADEE.

File No. 711.1215/459.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, March 28, 1913.

141. Department's March 27, in the sense of which I addressed a note to the Foreign Office and have just received Mr. De la Barra's reply, which in substance says that his Government considers it opportune to open final negotiations taking as the point of departure the impracticability of applying the decision of the court convened in El Paso, with the understanding that the exact application of the treaties of 1848, 1853 and 1884 shall be sought; that the propositions recently made by his Government (see Department's telegram of March 3) shall be accepted as bases; and that the modifications proposed by the Government of the United States in that telegram shall be the first object of the discussions between the Department and the Mexican Embassy. The Mexican Ambassador will receive precise instructions on these points and will be able to count on all the means necessary to arrive at an agreement without more delay.

HENRY LANE WILSON.

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[1] The omissions are irrelevant to the present subject; the entire telegram is printed under Claims of American citizens against Mexico, etc.

File No. 812.00/7431.

The American Ambassador to the Secretary of State.

[Telegram—Extract—Paraphrase.[1]]

AMERICAN EMBASSY,
Mexico, May 8, 1913.

225. President Huerta has in effect refused further to consider the Chamizal question until such time as the United States recognizes his administration.

WILSON.

File No. 711.1215/474.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, June 9, 1913.

281. A note from the Foreign Office just received states in substance:

Concerning questions growing out of the Chamizal arbitral award, the Mexican Government has always shown its disposition to enter into equitable negotiations in accordance with the views of the United States.

The failure of the United States to recognize Emilio Rabasa as Ambassador at Washington, and the unusual relations existing between the two Governments—preventing further negotiations on a matter originating at Washington and which should be continued there, and causing the Mexican Foreign Office to confine its dealings with the United States to urgent and routine business—make it indispensable that the Chamizal question should be treated from a new point of view.

The provisions of Article 8 of the Chamizal arbitral convention dated June 24, 1910, and its additional protocol, fix June 15, 1913, as the date for the execution of the award. Considering that its practical execution requires the cooperation of the two Governments, Mexico submits this point to the United States, reserving all of its rights to the portion of the Chamizal covered by the award and maintaining that its failure to execute the award on the date fixed shall not be argued in the future as detrimental to Mexico.

HENRY LANE WILSON.

File No. 711.1215/474.

The Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, June 13, 1913.

244. Your June 9. Write Mexican Foreign Office that you have advised the Department by telegraph of the purport of its note and

[1] For a fuller paraphrase of this telegram see Claims of American citizens against Mexico, etc.

that pending receipt of full text of the note by mail you are instructed to say that this Government takes note of the reservation of all Mexico's rights in the matter and will hereafter take up the negotiations at the point where they were lately interrupted and endeavor to reach a mutually satisfactory conclusion along the general lines already marked out and agreed on.

BRYAN.

File No. 711.1215/476.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, June 13, 1913.

286. Department's 244 of June 13. I had already made acknowledgment of the note, practically in the sense of the Department's instruction. But for fear of any omission I have just sent an additional note.

HENRY LANE WILSON.

CONSTRUCTION AND MAINTENANCE OF PROTECTIVE WORKS ON THE COLORADO RIVER AND NEGOTIATIONS WITH THE GOVERNMENT OF MEXICO CONCERNING THE EQUITABLE DISTRIBUTION OF THE WATERS OF THAT RIVER.[1]

File No. 711.1216m/301.

The Acting Secretary of the Interior to the Secretary of State.

DEPARTMENT OF THE INTERIOR,
Washington, Sepember 12, 1911.

SIR: Herewith I hand you copy of a letter, dated September 8, 1911, together with enclosures, from Col. J. A. Ockerson, engineer in charge and commissioner on the part of the United States for the construction of works for the purpose of protecting lands and property in Imperial Valley, and elsewhere along the Colorado River, within the United States, against injury or destruction by reason of changes in the channels of the Colorado River, as provided for in the act of June 25, 1910 (36 Stat., 867), from which it will be seen that work is about to be resumed, but that the Inspector Oficial del Río Colorado, F. B. Puga, in letter of September 2, has advised Col. Ockerson that it is his personal opinion that the permit and privileges heretofore granted by Mexico in regard to the construction of these works have expired, and therein is indicated the course to be pursued in order to have the same renewed.

I should be pleased to have you give this matter early consideration.

Very respectfully,

SAMUEL ADAMS.

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[1] Continued from For. Rel. 1911, pp. 525–565.

[Inclosure.]

The Commissioner for the United States to the Secretary of the Interior.

OFFICE OF ENGINEER,
St. Louis, September 8, 1911.

SIR: I have the honor to hand you herewith copy of letter sent to Mr. Puga, commissioner from Mexico, and his reply thereto, both relating to the resumption of work on the Colorado River.

In accordance with his suggestion I have taken the matter up with the representative of the Colorado River Land Company in Mexico City, through General H. G. Otis, with the request that a decision may be reached at the earliest practicable date, in order that resumption of work may not be delayed.

I did not understand that the exchange of notes between the two Governments included any limitations as to time in which the work should be completed; and if need be, I suggest that the matter be revived through the State Department.

Very respectfully,

J. A. OCKERSON.

[Subinclosure 1.]

The Commissioner for the United States to the Official Inspector for Mexico.

ST. LOUIS, *August 25, 1911.*

DEAR SIR: The resumption of work along the Colorado River in Baja California, which was suspended on account of floods on May 20th last, is contemplated early in October.

1. A careful survey will be made to determine the present condition of the levee and dam. It is my intention to take this up very soon.

2. The first construction work will be the restoration of such portions of the levee north of the Abejas River as have been damaged, and the construction of tapoons or spurs at suitable intervals along the river side thereof to prevent erosion from water flowing along the base during overflow stages of river.

3. The raising and enlarging of the levee north of Volcano Lake to such height and section as may be necessary to insure its safety for several years.

4. The dismantling of such railway tracks and equipment as will not be needed and laying such new railway tracks as the projected work may require.

The details of the projected work can only be determined after a careful survey of the present conditions has been made and maps and plats will then be sent to you.

In the meantime I assume the work can be carried on under the same terms as defined by your Government both as to operating under the Colorado River Land Company by me as attorney in fact, and also as to the customs rulings covering the entry of any and all things required for the proper prosecution of the work.

Your prompt consideration and favorable response to these suggestions is earnestly requested in order that there may be no delay in the inauguration of active operations as contemplated.

With highest regard [etc.]

J. A. OCKERSON.

[Subinclosure 2.]

The Official Inspector for Mexico to the Commissioner for the United States.

MEXICO CITY, *September 2, 1911.*

DEAR SIR: I am answering your letter of August 25, received here yesterday.

My personal opinion is that the permit and privileges granted to your company last year in regard to the construction of a levee and dam on the western bank of the Colorado River in Lower California, Mexico, has expired, since all correspondence relating to those works specially mentioned the month of May, 1911, as the latest date in which they should be finished and since they were actually completed—though badly damaged later on—within

the designated time. In my own judgment, your company ought to apply again to our Department of Fomento for new authority and customs rulings, and please notice that I say and mean "Fomento" and not "Foreign Relations," as the former is the only department of our Government empowered by law to grant such kind of permits and privileges. I should say you won't meet with any particular trouble in getting what you wish if you act quickly through the company's representative in this capital and along the general lines herein suggested.

Nevertheless, I am forwarding at once your consultation to the proper Mexican Government officials and will let you know their final answer as soon as it reaches me.

I wish to add that the outline of what you propose to do in handling the new constructive work is satisfactory to me in a technical sense, and I don't believe any serious objection will be made to your plans, once properly legalized.

Yours very truly, F. B. PUGA.

File No. 711.1216M/301.

The Acting Secretary of State to the American Ambassador.

No. 551.] DEPARTMENT OF STATE,
Washington, September 19, 1911.

SIR: I enclose herewith a copy of a letter from the Acting Secretary of the Interior, transmitting correspondence from which it appears that work on the Colorado River protective works is about to be resumed, but that the Mexican official inspector has advised the American engineer in charge that he believes that the permit and privileges granted by Mexico in this case have expired. I also enclose copies of previous diplomatic correspondence relating to the construction of these works.[1]

You will say to the Foreign Office that it is desired soon to renew the construction along the Lower Colorado River of the protective works begun but uncompleted last winter. It is very desirable and apparently necessary that such works be entirely finished before the flood-water season of next spring. The Government of the United States would, therefore, be pleased if the Government of Mexico would issue the appropriate orders to customs officials and other interested officers, so that the work may be proceeded with and speedily completed under the arrangements heretofore entered into between the two governments.

I am [etc.]

HUNTINGTON WILSON.

File No. 711.1216M/305.

The American Ambassador to the Secretary of State.

No. 1004.] AMERICAN AMBASSY,
Mexico, October 9, 1911.

SIR: I have the honor to refer to the Department's instruction of the 19th ultimo, No. 551, relative to the resumption of work on the Colorado River protective works, and to enclose to the Department a copy, in translation, of the Foreign Office's reply to the Embassy's note based on that instruction.

I have [etc.] HENRY LANE WILSON.

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[1] See For. Rels. 1911, pp. 551–555.

[Inclosure—Translation.]

The Subsecretary for Foreign Affairs to the American Ambassador.

DEPARTMENT OF FOREIGN AFFAIRS,
Mexico, October 5, 1911.

MR. AMBASSADOR: Referring to your excellency's courteous note of September 29th, last, I have the honor to say to your excellency, by order of the President of the Republic, that in consideration of all the antecedents relative to the works of defense of the Colorado River that are being executed by the Colorado River Land Company and, principally, of the very active diplomatic endeavors concerning the nature of these works, which were satisfactorily ended by my note of January 11, 1911, addressed to your excellency,[1] and with the perfect understanding between my Government and that of your excellency, by which it was agreed that "the above mentioned works would be executed by the Colorado River Land Company, a Mexican corporation, operating by virtue of a concession granted to it by the Mexican Government, and under the inspection of an engineer appointed by that Government; with the understanding that the execution shall not have an international character; which agreement was ratified in all of its parts by the exchange of notes," this Department is of the opinion, and in this sense will say to your excellency, that any endeavors relative to these works should be made by the Colorado River Land Company directly with the Department of Fomento, from which they depend according to law, for which works the Department has appointed an engineer-inspector, which does not prevent this Department from recommending, as it is hastening to do with satisfaction, in accordance with the wishes of the American Government, the promptness with which Fomento should act and give instructions to its employees and in granting such privileges as may be within its province to facilitate, as much as possible, the works of the above-mentioned company.

I also beg to say to your excellency that at the proper time the inspector of the works, Engineer Beltrán y Puga, informed this Department concerning the opinion he expressed to Engineer Ockerson with reference to the procedure to be observed by the company of which he is the director and representative, in order to resume its works, which opinion, in view of the antecedents referred to in this note, was approved in every respect.

I avail [etc.]

B. CARBAJAL Y ROSA.

File No. 711.1216 M/310.

The Assistant Secretary of the Interior to the Secretary of the Interior.

[Telegram—Through the Secretary of State.]

MEXICO CITY, *November 24, 1911.*

Satisfactory results obtained from Minister of Fomento. Instructions sent by telegraph to permit resumption of work. Construction machinery to be brought over under bond on application of company. All perishable goods and supplies and material in construction to be subject of a bill to be introduced into Congress which Minister of Fomento informs me will undoubtedly pass. Ambassador Wilson considers results highly satisfactory and he has full confidence in Minister of Fomento.

CARMI A. THOMPSON.

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[1] Not printed; but see note of January 9, 1911, from the Mexican Ambassador, For. Rel. 1911, pp. 554–555.

File No. 711.1216 M/315 a.

The Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, January 26, 1912.

Referring to previous correspondence [1] and to the understanding arrived at in November last between the Assistant Secretary of the Interior and the Minister of Fomento to the effect that the latter would undertake to relieve, by a bill introduced in the Mexican Congress, the Colorado River Land Company of all duties which would be and which had been charged against it for necessary material, food, clothing, etc., brought into Mexico and used in connection with the Colorado River levee works under erection with funds furnished by this Government, take the matter up with the Mexican Government that a bill may be introduced into the Mexican Congress to relieve this Government and the Colorado River Land Co. of all liability for customs charges above referred to, and to remit the duties which have already been paid.

KNOX.

File No. 711.1213 M/316.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, January 30, 1912.

Department's telegram, January 26. Congress is not in session and nothing can be done now. The Secretary of Fomento assures me that he will carry out his agreement with Mr. Thompson when Congress reassembles.

WILSON.

File No. 71.1216M/321.

The Secretary of the Interior to the Secretary of State.

DEPARTMENT OF THE INTERIOR,
Washington, February 10, 1912.

MY DEAR MR. SECRETARY: In respect to the situation on the lower Colorado River I suggest that negotiations be opened with Mexico for the early creation of an international commission, embracing in its membership both American and Mexican engineers, to investigate and report as to the proper method of utilizing the waters of the lower Colorado in the two countries to the best advantage to each, taking into consideration the rights and interests of both countries.

Such a commission should be vested with broad powers and ample authority to examine into and submit a basis for the adjustment of all questions relating to the conservation, use and control of the waters of said river, with a view to such governmental action upon the part of both Governments as shall result in a complete, just

[1] For. Rels. 1911, pp. 546–547.

and final settlement of all matters with reference to the river and its waters, in which the two countries are interested. The considerations calling for the appointment of such a commission at this particular time are as follows:

There has heretofore been constructed a canal and irrigation works for the irrigation of the valuable lands of the Imperial Valley and other parts of California. A portion of this canal lies in Mexican territory and is being maintained and operated under authority from that Government. It is important that the status of this canal and the appurtenant works shall be properly established and provision made for its future development and maintenance with due regard to the rights of the citizens of both countries.

The Colorado River is subject to great fluctuations in flow and the lower portion of the river lying within the Republic of Mexico naturally overflows its banks and has in the past seriously threatened the security of the lands and people of the Imperial Valley. It has also overflowed extensive areas in Mexico, thus affecting the productive uses to which this land can be put. On account of the danger to the property in the United States, this Government has already expended large sums of money in the construction of embankments and other works on Mexican territory. The expenditures have been made and the work carried on through the agency of a Mexican corporation, the Colorado River Land Company. Definite provision, however, has not been made for the continued maintenance of this work and it must be apparent that it should not be necessary to resort to this method to construct improvements of this nature. Moreover, the work thus far accomplished is largely temporary in character. Expensive permanent works are essential to any really satisfactory treatment of the situation. The Mexican Government has extended courteous consideration to the Colorado River Land Company, knowing that these courtesies were being extended in effect to the United States Government; but the adequate solution of this problem requires direct action on the part of both Governments. The necessity of an immediate adjustment of this entire matter should appeal to the Mexican Government since her people in that locality are dependent upon an uninterrupted flow of the waters of the Colorado River, and a complete and definite understanding with the Government of the United States would have many advantages over the various uncertain agreements with private corporations through which both countries have attempted to work out a partial solution of the problem and to meet present emergencies.

I trust the above will serve as a suggestion as to the procedure which was recommended by the consulting engineers, whose report has just been transmitted by the President to Congress.

I am enclosing herewith a copy of said report [1] for such ready reference as you desire to make to it, and should be pleased to transmit from time to time to your Department, as you may desire, such documents and papers as may be found in the Department of the Interior upon this subject.

As bearing upon our own interest in the definite adjustment of this matter with Mexico, permit me to call your attention to the fact

[1] Not printed; see House Doc. 504, 62d Cong. 2d sess.

that it is reported that there are upwards of ten thousand citizens living in the Imperial Valley and that property to the extent of many millions of dollars has been created, all dependent upon the supply of fresh water derived through a single canal which heads in the United States on the west side of the Colorado River, extending into Mexican territory, thence back to the valley heretofore referred to. Any interruption to the flow of this water will be at the sacrifice of millions of dollars of property of citizens of the United States, and if the supply were suddenly cut off, as it might be at any moment, there would be no possibility of taking out of the Valley all the people and their live-stock quickly enough to save them from intense suffering, or even death by thirst, as there is no fresh water within one hundred miles or more of the locality.

The United States as a land owner has hundreds of thousands of acres of land, the value of which is dependent upon obtaining water from the Colorado River and conducting it through Mexico. The head of the canal adjacent to the Colorado River is in the possession of citizens of the United States. The main trunk line, consisting largely of natural channels leading through Mexico and adjacent to the border of the United States, is under the control of a Mexican corporation now in bankruptcy and in the hands of the Mexican courts. From the canals on Mexican territory water is distributed according to the orders of the Mexican officials to the canals which lead into the United States. The condition has become more and more acute as time goes on, and although the subject of frequent discussion and much correspondence during the past decade apparently nothing has been accomplished as yet toward the solution of the international question.

Yours respectfully,

WALTER L. FISHER.

File No. 711.1216M/321.

The Acting Secretary of State to the Secretary of the Interior.

DEPARTMENT OF STATE,
Washington, February 19, 1912.

SIR: I have the honor to acknowledge the receipt of your letter of the 10th instant, transmitting a report by the consulting engineers in regard to the utilization of the waters of the lower Colorado River, and suggesting that negotiations be initiated with Mexico for the early creation of an international commission, including in its membership both American and Mexican engineers, to investigate and report as to the most desirable method of distributing such waters.

In this connection I beg to refer to previous correspondence on this subject of the equitable distribution of the waters of the Colorado River, and especially to letters from this Department to the Interior Department of April 10, 1908 (File No. 3172/84), April 15, 1908 (File No. 3172/85–86), April 25, 1908 (File No. 3172/89),[1] and May 22, 1908 (File No. 3172/92–94), and also to letters from this Department bearing dates of April 15, 1910 (transmitting a memorandum

[1] For. Rel. 1911, p. 539.

on the matter in question (File No. 17420/19), May 6, 1910 (File No. 17420/22), and May 9, 1910 (File No. 17420/22), with its enclosure.

You will observe that there is already in existence a commission organized for the purpose disclosed in the correspondence above referred to. The subjects of investigation assigned to this commission include some of those which the commission proposed by you would have to undertake, as you will also see from the correspondence referred to. As at present composed, the existing commission is made up of Mr. Wilbur Keblinger for the United States, and Señor Puga for the Government of Mexico. The latter gentleman has, I believe, been delegated by the Mexican Government to perform certain duties in connection with the erection by this Government of the levee works in the Imperial Valley.

Before taking this question up again with the Mexican Government it would be advantageous to know whether it is your desire that the commission already existing, increased by the appointment of competent engineers by each Government, shall be utilized for the work your Department has now in mind, or whether you prefer that we propose to the Government of Mexico the abolition of this commission and the appointment of an entirely new one.

Upon receiving information from you upon this point I shall be glad to direct our Ambassador at Mexico City to take up the question with the Mexican Government with a view either of augmenting the present commission by the addition of the necessary engineers, or by abolishing the present commission and creating a new commission, as you may desire. It is probable that the latter course would entail a longer delay than the mere increasing of an existing commission.

I have [etc.],

HUNTINGTON WILSON.

File No. 711.1216M/326.

The Secretary of the Interior to the Secretary of State.

DEPARTMENT OF THE INTERIOR,
Washington, March 18, 1912.

SIR: Replying to your letter of recent date, with reference to the proposed negotiations with Mexico on the Colorado River, in which letter you say:

> Before taking this question up again with the Mexican Government it would be advantageous to know whether it is your desire that the commission already existing, increased by the appointment of competent engineers by each Government, shall be utilized for the work your Department has now in mind, or whether you prefer that I propose to the Government of Mexico the abolition of this commission and the appointment of an entirely new one.

I am of the opinion, after looking carefully into the duties and powers of the present commission and the purpose for which it was appointed, that the same will not suffice and could not well be made to answer the requirements in this case, but that the public interest will be better served by the appointment of an entirely new commission with broad powers and composed of men from each country of known standing and familiarity with the subject

to be dealt with. Said commission should not be limited to engineers but should permit of the appointment of some members familiar with the legal and diplomatic issues necessarily involved.

It is my thought that a commission so composed should be given a broad latitude and directed to go into every phase of the Colorado River matter in which both countries are interested, to the end that said commission may formulate a report on the whole subject, with proper recommendations, to be submitted to each country, with the hope that the two countries may then enter into a permanent agreement, along the lines laid down by said commission, for the final disposition of all international phases of the Colorado River problem.

Very respectfully,

WALTER L. FISHER.

File No. 711.1216M/326.

The Acting Secretary of State to the American Ambassador.

No. 775.] DEPARTMENT OF STATE,
Washington, March 21, 1912.

SIR: I enclose herewith copies of correspondence with the Secretary of the Interior[1] in regard to his suggestion that negotiations be initiated with Mexico for the creation of an international commission to investigate and report as to the most desirable method of distributing and utilizing the waters of the lower Colorado River.

You will take up immediately with the Mexican Government the question of appointing a commission to consider the broad questions outlined in the first two paragraphs of the letter of February 10, 1912, from the Secretary of the Interior. In this connection you will observe that in his letter of the 18th instant the Secretary of the Interior states that the commission as now organized will not suffice and could not well be made to answer the requirements of the situation.

You should press the matter as rapidly as possible, reporting to the Department from time to time the progress that is making in the negotiations.

I am [etc.]

HUNTINGTON WILSON.

File No. 711.1216M/334.

The American Ambassador to the Secretary of State.

No. 1379.] AMERICAN EMBASSY,
Mexico, April 27, 1912.

SIR: With reference to the Department's instruction No. 775 of March 21, 1912, relative to the creation of an international commission to investigate and report as to the most desirable method of distributing and utilizing the waters of the lower Colorado River, I

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[1] Printed ante.

have the honor to transmit herewith a copy in translation of a note on the subject received from the Mexican Foreign Office.

I have [etc.]

HENRY LANE WILSON.

[Inclosure—Translation.]

The Secretary for Foreign Affairs to the American Ambassador.

DEPARTMENT OF FOREIGN AFFAIRS,
Mexico, April 13, 1912.

MR. AMBASSADOR: I have the honor to acknowledge the receipt of your excellency's courteous note No. 2097, dated the 1st instant, informing me of the wishes of your excellency's Government for the early creation of an international commission to take the place of the commission now in existence for the investigation of the proper method of utilizing the waters of the lower Colorado River in Mexico and the United States, and also to study important matters relating to the legal conditions of the canal that crosses Mexican territory and carries the waters that irrigate the Imperial Valley and other places in California and the continuance of the works of defense, particularly such works as are being done by the Colorado River Land Company.

In reply I have the pleasure to say to your excellency that the Mexican Government abounds in similar wishes and believes, like the Government of the United States, that it is eminently necessary to make a thorough study of the points mentioned by your excellency, for which reason Mexico accepted with pleasure the appointment of the commission suggested by the Government of the United States since the beginning of the year 1908, which commission will be succeeded by the one to be created presently.

In view of the above, I beg to recommend to your excellency to inform your Government that Mexico accepts the appointment of the proposed international commission, and take the liberty to suggest that for the purpose of the early action and facilities of said commission, the one now existing as the International Water Boundary Commission be permitted to remain in force with an increased and practical personnel to study and propose an arrangement of the matters pertaining to the Colorado River, increasing to that end, if necessary, the powers it now has.

The Mexican Government believes that the way suggested will be favorably considered by that of your excellency, in view of the promptness and facility with which the International Boundary Commission will be able to act concerning the works on the Colorado River without disregarding the works it has charge of on the Rio Grande.

I avail [etc.]

PEDRO LASCURAIN.

File No. 711.1216 M/343.

The Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, May 22, 1912.

Department is informed by the agent of the Imperial Irrigation District that application has been made within past few days to the Mexican Government for new concession covering Imperial canal system located in Mexico and it is believed that the application was made for the purpose of complicating the situation and to oppose the interests of American water-users in Imperial Valley. Impress upon the Foreign Office that this question should remain in statu quo pending negotiations of some arrangement looking to the adjustment of the whole matter. The Department strenuously urges necessity of not further complicating the matter at this time.

KNOX.

File No. 711.1216 M/345.

The American Ambassador to the Secretary of State.

[Telegrams—Paraphrases.]

AMERICAN EMBASSY,
Mexico, May 23, 1912.

The Minister for Foreign Affairs heartily approves letting Colorado River question remain in statu quo pending negotiations of projected arrangement. He will urge the Minister of Fomento to refrain from taking action on alleged new concession.

WILSON.

File No. 711.1216 M/350.

AMERICAN EMBASSY,
Mexico, June 5, 1912.

The Minister of Fomento has informed the Foreign Office that up to May thirty-first no request for a new concession relating to the Imperial Valley canal system had been received, and if any request for a new concession should be presented the representations of the Embassy would be taken into consideration. The Foreign Office adds that in December, 1907, the President decided to defer granting any concession covering the waters of the Colorado River until a satisfactory agreement about the distribution thereof had been reached between the United States and Mexico.

WILSON.

Senate Doc. No. 846, 62d Cong., 2d sess.

Message from the President of the United States, transmitting a letter of the Secretary of the Interior submitting an appeal of the Board of Supervisors of Imperial County, California, for further appropriations and works for protection against the flood waters of the Colorado River.

[Referred to the Committee on Appropriations.]

TO THE SENATE AND HOUSE OF REPRESENTATIVES:

I transmit herewith a letter from the Secretary of the Interior inclosing an appeal from the board of supervisors of Imperial County, California, for further appropriations of money and further works for the protection of lands and property in the United States against the flood waters of the Colorado River.

In my message dated February 2, 1912, transmitting data of the work of the Interior Department, published as House Document No. 504, Sixty-second Congress, second session, there is contained a report of the engineer in charge of the work of protection done under the act of June 25, 1910, appropriating $1,000,000 for this purpose, and also a report of a special board convened by my direction to review this report and advise what further work should be done along the lower Colorado River for the protection of the interests of the United States. In this report of the special board, dated June 7, 1911, there will be found a recommendation that cer-

tain additional work should be at once executed, and an estimate of $1,000,000 as necessary for this work.

In my message I stated that I did not at that time make a definite recommendation, for the reason that the plan to be adopted for the betterment of conditions near the mouth of the Colorado River proves to be so dependent on a free and full agreement between the Government of Mexico and the Government of the United States as to joint expenditure and joint use that it is unwise to move until we can obtain some agreement with that Government which will enable us to submit to Congress a larger plan, better adapted to the exigencies presented than the one adopted. As stated in this message, the matter was being pressed upon the attention of the Mexican Government and favorable progress has been made in the negotiations. However, it is not probable that the negotiations with Mexico can be consummated before the adjournment of Congress, and it is therefore desirable to provide against a possible emergency which may arise after Congress has adjourned.

Since the report of the special board above referred to a part of the work proposed has been executed, and it is believed that the work will prove adequate for the protection of the lands in Imperial Valley against serious overflow during the present flood, which materially exceeds the average flood in volume, but as shown in the letter of the Secretary of the Interior the Colorado River since the date of the report of the special advisory board began and has continued to cave its banks, until the protecting levee on the Mexican side about 7 miles below the intake of the Imperial Canal is threatened, and apprehensions are aroused that the Colorado will again cut a deep channel into the Imperial Canal and flow again into Salton Sink with disastrous results to American lives and property.

I request that the recommendation of the Secretary of the Interior be followed and that an appropriation of $1,250,000 be made to meet any emergencies that may arise for the construction of levees and revetments along the Colorado River and for the protection of property in the United States from damage by the flood waters of that river, and to be expended in whole or in part for the purposes stated and under the direction of the President of the United States.

WM. H. TAFT.

THE WHITE HOUSE, *June 14, 1912.*

[Inclosure.]

The Secretary of the Interior to the President.

DEPARTMENT OF THE INTERIOR,
Washington, June 13, 1912.

SIR: I have the honor to transmit herewith a copy of letter from the board of supervisors of Imperial County, Cal., relative to the securing of an appropriation in sufficient amount to safeguard the Imperial Valley from the further overflow of the lower Colorado River.

Your attention is respectfully invited to your message dated February 2, 1912 (H. Doc. No. 504, 62d Cong., 2d sess.), transmitting data of the work of the Interior Department, in which will be found a detailed report of all work done prior to that date under the special appropriation of $1,000,000 made by

Congress on June 25, 1910, for the protection of lands and property in the Imperial Valley, Cal., against the flood waters of the Colorado River, and also the report of the special advisory board convened by your direction, which report, dated June 7, 1911, contains a full statement of the physical and related facts concerning the lower Colorado River and its floods and the recommendations of the board as follows:

We recommend that further work should be undertaken at once and in approximately the following order:

(*a*) The levees north of Volcano Lake should be raised, strengthened, and extended.

(*b*) The existing levees along the west bank of the Colorado River to the Abejas should be repaired and protected.

For this purpose and to meet emergencies there should be immediately available the sum of at least $1,000,000.

This provides only for temporary maintenance of levees and does not include the systematic revetment of the river banks.

With the balance of the appropriation of $1,000,000 secured under the act of June 25, 1910, amounting to about $175,000, a part of this work (*a* and *b*) under the above recommendation has been completed since the date of your message of February 2, 1912. The levee north of Volcano Lake has been raised about 3½ feet, strengthened and riprapped over a distance of about 8 miles, and the levee along the west bank of the Colorado River north of the Abejas River has been repaired and protected against scour as far as may be done without gravel or stone covering by short spurs or tapoons. There remains still to be done the raising of the Volcano Lake levee about 3 feet additional and extending it over 10 miles to a junction with the line heretofore constructed by the California Development Co., and the further strengthening and protection against scour of the levee along the west bank of the Colorado River north of the Abejas, none of which work, however, is at this time considered so urgent as to constitute an emergency.

Since the report of the special advisory board, the necessity for revetting the banks has been emphasized because the Colorado River about mile 7 below the Imperial Canal intake has begun and continued caving its bank until the levee is seriously threatened, and if this caving continues there is danger that the river may make a deep connection with the Imperial Canal and again flow into Salton Sink, with disastrous results to the Imperial Valley. The situation there now is such that the river may possibly in one flood accomplish this result; on the other hand, the caving may cease and the danger be temporarily averted; but there will always be this danger as long as the Colorado River caves its banks in this vicinity, which danger can only be averted by fixing the river in its present channel by a strong revetment as recommended by the special advisory board in its report of June 7, 1911.

To revet the banks on either side of the river for 10 miles of its course, wherever caving is likely to cause damage, and to complete the work on the levees above referred to, there should be a fund at the disposition of the President of at least $1,250,000, $500,000 of which is estimated as necessary for raising, riprapping, and strengthening the levees already constructed and for closing the gap between the Volcano Lake and California Development Co.'s levees, and $750,000 for revetting the banks where necessary to prevent further caving on the United States and Mexican sides. This fund should be now held and applied only so far as may be needed from time to time to meet emergencies, but to be expended in full whenever negotiations now under way with Mexico may be so far perfected as to permit the work indicated herein to be done under proper international supervision, the work being, except part of the bank revetment, in the Republic of Mexico, but for the benefit of lands and property in the United States and to a quite small extent in Mexico.

Very respectfully,

WALTER L. FISHER.

[Subinclosure.]

Board of Supervisors, Imperial County, Cal., to the Secretary of the Interior.

DEAR SIR: In your communication of December 22, 1911, addressed to the President, you recommend that "at least $1,000,000 should be appropriated" by Congress "to meet the present emergencies" existing along the lower Colorado River. You are already fully aware of the serious danger confront-

ing the Imperial and Coachella Valleys from this source, while the engineer's reports which accompany your letter disclose the fact that conditions are so serious as to constitute this an emergency.

The conference board incorporated in its report of June 7, 1911 (H. Doc. No. 504, 62d Cong., 2d sess., p. 161), the recommendation "that further work should be undertaken at once and in the following order: (*a*) The levees north of Volcano Lake should be raised, strengthened, and extended; (*b*) the existing levees along the west bank of Colorado River to the Abejas should be repaired and protected."

On page 160, caption 3 (ibid.), they further recommend that in addition steps be taken to "hold the river by adequate bank revetment practically on its present alignment."

Gen. W. L. Marshall, consulting engineer for the Department of the Interior, concurs with these recommendations. On page 185, caption 8 (ibid.), he says:

> To revet the banks in the most substantial way yet developed and as applied along our western rivers, as far as a breach directly into the Imperial Canal or Alamo River can take place, then to construct and riprap the levee north of Volcano Lake, is in my mind the best possible solution in so far as affects the interests of the United States.

As is pointed out by Gen. Marshall:

> The greatest and most imminent danger to United States lands and property lies in a possible breach in the banks and levee on the west bank of the Colorado River in the first 8 miles below the Mexican-California boundary, thus admitting water directly into the Imperial Canal. (Ibid., p. 185, cap. 11.)

The serious cutting of the western bank at a point known as House 7 suggests the necessity for adopting some method, such as revetment, to stop bank erosion and preserve the alignment of the river at this point. This situation calls for immediate action, while the conference considers the proper raising and strengthening of the Volcano Lake embankment to be "an essential requisite as a protection of Imperial Valley against menace from the south, *and should be constructed without delay.*" (Ibid., p. 160, cap. 4, b.) (Italics ours.)

Connected with the permanent control of the Colorado River are international questions which must be settled by an international board, as is pointed out by the conference. In view of the length of time which will probably elapse before these questions can be determined, it is manifestly inadvisable to defer for consideration, by such possible commission, the work above outlined, which all agree should be done immediately.

When the overflow occurs, as is certain to happen if steps to prevent are not taken—when it does come the Colorado will again send its waters into the Salton Sea. Owing to the great fall which the water will have and the peculiar character of the soil, the checking of the river will prove a most serious undertaking and would be accomplished only by the expenditure of millions, if at all. The floods of 1905-1907 are estimated to have cost between $5,000,000 and $7,000,000 in money expended to control the river and for the damage wrought. When this task was accomplished, in 1907, nine out of ten engineers are reported to have pronounced the undertaking impossible. If not checked, the river will fill the Salton Sink, compelling the abandonment of the Imperial and Coachella Valleys. Within this region there are now 30,000 inhabitants and property valued at $40,000,000 to $50,000,000.

Wherefore, on behalf of the people of Imperial Valley, we, their properly authorized representatives, do most respectfully request that you urge upon Congress the necessity of an appropriation, at the present session, of a sum sufficient to permit the following work being done:

1. The proper repairing and strengthening of the levees along the west bank of the Colorado River as far as the Abejas River.

2. The retention of the river, by adequate bank revetment, on its present alignment, and thus preventing a breach in the banks, admitting water directly into the Imperial Canal.

3. The raising, strengthening, and extension of the levee north of Volcano Lake and riprapping the same.

We have the honor to be, most respectfully, yours,

BOARD OF SUPERVISORS,
Imperial County, State of California.

File No. 711.1216M/384.

The Acting Secretary of State to the American Ambassador.

[Extract.]

No. 974.] DEPARTMENT OF STATE,
Washington, September 10, 1912.

SIR: Referring to previous correspondence regarding the matter of appointing a commission to consider the equitable distribution of the waters of the Colorado River, and particularly to the Department's instructions of March 21, 1912, and the Embassy's despatch No. 1379 of April 27, 1912, I enclose herewith a draft[1] of a convention providing for a preliminary commission to study and report upon the bases of distribution of the waters of this river.

It is desired that you at once write a note to the Mexican Foreign Office, submitting the attached draft, and say that this Government would be glad to sign the convention and put it into operation at the earliest possible moment. Should any changes in the draft be proposed, you will submit them to the Department and await its instructions.

[Comment for the information of the Ambassador.]

The Department is most anxious that this matter shall be concluded at the earliest possible moment.

I am [etc.]

HUNTINGTON WILSON.

File No. 711.1216M/387.

The American Ambassador to the Secretary of State.

No. 1690.] AMERICAN EMBASSY,
Mexico, September 26, 1912.

SIR: I have the honor to acknowledge the receipt of the Department's instruction No. 974 of the 10th instant and to report that the action therein contemplated has been taken and that I am in receipt of an acknowledgment from the Mexican Minister for Foreign Affairs wherein it is stated that the subject will receive the early attention of this Government. With reply in extenso of the Minister I shall transmit a copy of my note based upon the paragraphed comment transmitted with the Department's instruction.

I have [etc.]

HENRY LANE WILSON.

File No. 711.1216M/399.

The American Chargé d'Affaires to the Secretary of State.

No. 1780.] AMERICAN EMBASSY,
Mexico, November 20, 1912.

SIR: I have the honor to refer to previous correspondence regarding the negotiation of a convention concerning the Colorado River,

[1] Not printed.

and especially to the Department's instruction No. 974, of September 10th, and the Ambassador's despatch No. 1690, of the 26th of the same month.

In this connection I beg to transmit herewith copies of the Ambassador's note[1] to the Minister for Foreign Affairs, dated September 21; translations of the Minister's note[1] to me of November 16; and copies and translations of the counter draft[1] of the convention enclosed with the latter note.

I have [etc.]

MONTGOMERY SCHUYLER.

File No. 711.1216M/399.

The Secretary of State to the American Ambassador.

No. 1215.] DEPARTMENT OF STATE,
Washington, February 8, 1913.

SIR: The Department has received your No. 1780, of November 20, 1912, transmitting the counter draft of the Mexican Government in the matter of the convention for the equitable distribution of the waters of the Colorado River, and in reply informs you that the Department has taken up this matter with the Secretary of the Interior and as a result of conferences with him the enclosed draft convention[1] has been prepared, which you will submit to the Mexican Foreign Office with a note embodying the essentials of the following statement:

[Statement explanatory of the wording of the amended draft convention.]

There are transmitted herewith for the Embassy's confidential information copies of memoranda and correspondence by the Solicitor of the Department regarding his interviews with the Secretary of the Interior upon this question, as also a copy of the Solicitor's memorandum assembling the various proposals, article by article, and commenting thereon.[1]

I am [etc.]

For Mr. Knox:
ALVEY A. ADEE.

File No. 711.1216 M/420a.

The Acting Secretary of State to the American Ambassador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, May 2, 1913.

Colorado River. Has the Foreign Office accepted changes proposed to its counter draft indicated in Department's amended convention inclosed in Department's instruction of February 8, 1913?

MOORE.

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[1] Not printed.

File No. 711.1216M/421.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, May 3, 1913.

220. The Department's telegram of May 2 re Colorado River. Minister of Fomento states he is in practical agreement with the Department's counter-draft of the amended convention.

WILSON.

NOTE.—On May 8, 1913, the Ambassador included in a telegram[1] covering various subjects brought up in an interview with General Huerta the information that Huerta had refused to consider the Colorado River question until formal recognition of his administration by the United States. No further action appears to have been taken during 1913.

SETTLEMENT OF THE CONTROVERSY OF THE TLAHUALILO COMPANY WITH THE GOVERNMENT OF MEXICO.

NOTE.—The Tlahualilo Company, whose legal title is "Compañía Agrícola, Industrial, Colonizadora, Limitada, del Tlahualilo, Sociedad Anónima," was organized under the laws of Mexico August 25, 1885. In 1896 it mortgaged its properties and franchises for the purpose of securing an issue of £350.000 of bonds. The bond issue was made in London and New York. The properties of the company are situated on and near the river Nazas, Mexico. In April, 1887, the company entered into contract with the Mexican Government, approved by the Mexican Congress in 1888, by which the company was authorized to colonize its lands, to build a canal from the Nazas River and to take water from that river for irrigation purposes. In 1908 the Mexican Government issued regulations for the distribution of the waters of the river Nazas, which greatly reduced the amount of water the company had been receiving. The company protested and, having received no redress, instituted suit in the courts of Mexico against the Government. In the meanwhile the company requested the good offices of the British and American Governments. The American Ambassador at Mexico City was instructed to support the representations of the British Minister at Mexico City in behalf of the company. On August 5, 1910, the American Ambassador reported[2] that on August 4 he accompanied the British Minister to the Foreign Office to present a British memorandum dated August 4, which, after reviewing the entire history of the company, concluded as follows:

In the conclusion thus stated His Majesty's Government desire to say that they have not overlooked the reported plan and policy of the Mexican Government to conserve the waters of the Nazas River, and wish to assure the

[1] This telegram is printed under Political Affairs.

[2] File No. 17063/109.

Mexican Government that they view with entire sympathy all efforts made by that Government to store and preserve for effective use in their arid regions the waters of their various streams and rivers. Moreover, they thoroughly understand and appreciate that in carrying out any extensive plan of conservation there may well be as incident thereto inconvenience and perhaps some loss to individual enterprises and undertakings. But His Majesty's Government cannot admit, and they feel sure that the Mexican Government would not contend, that any plan of conservation should be undertaken and carried out which shall appropriate or wilfully confiscate without full and complete compensation, the lawful and established rights of private individuals; and if in the course of the consummation of any such conservation plan it should become necessary to take the lawful and vested property or interest of any private individual or company, that then and in that event the injured party must receive due, proper, and full compensation for any and all such property which it has been found necessary to appropriate.

His Majesty's Government do not, however, understand that the present difficulties of the Tlahualilo Company arise as the result of any such conservation measures, but that on the contrary as the facts are presented they flow from and are the result of a disposition and purpose on the part of the Mexican Government, for some reason not apparent, to encourage and foster upon the lower Nazas River large agricultural enterprises at the expense of similar enterprises upon the upper river, and specifically and particularly (if the regulations of 1895 and 1909 are to continue in force) to bring about such a result in a way that will be all but wholly at the expense of the Tlahualilo Company. Therefore, His Majesty's Government, without presuming to pass upon the national propriety or impropriety of the action so taken by the Mexican Government, must insist that if the fruition of this policy carries with it the destruction of British interests then and in that event the Mexican Government are under obligation fully and amply to compensate the British interests which are thus sacrificed. His Majesty's Government therefore, desire to say in all friendliness but with all earnestness that if the present plans of the Mexican Government are carried out and such plans result in the loss and destruction predicted by the Tlahualilo Company, His Majesty's Government will, at the proper moment, find it necessary to present to the Mexican Government a claim for damages for the injuries which have been suffered by those British subjects who have so heavily invested in this enterprise.

His Majesty's Government are, however, sincere in their desire that such an eventuality may be avoided and to this end they renew the suggestion which they have already made and now make in connection with the representations made by the Government of the United States that every effort be made to reach with the Tlahualilo Company an amicable adjustment of this difficulty by allowing it to retain and by confirming it in such of its rights as will enable it successfully to carry out its enterprise which, as an individual undertaking, ministers in no small degree to the national prosperity of Mexico; and that pending such adjustment of this difficulty, or at least for one year, the Tlahualilo Company be permitted to enjoy the abridged rights granted to it under the Regulations of 1895 in order that meanwhile its enterprise may not be completely destroyed.

His Majesty's Government, sincere in their desire that nothing whatever shall happen which may threaten in the slightest degree to disturb the traditional friendly relation of the two Governments and firm in its belief that a proper and equitable adjustment of this controversy is possible if it be approached in an amicable and conciliatory manner by the parties thereto, cannot urge with too much emphasis, in order to avoid expensive litigations and controversies which, if the Company loses, are almost sure to result in diplomatic representations and claims for large amounts in damages, that such adjustment as that recommended above shall be entered into by the Mexican Government and the Company at the earliest possible moment.

His Majesty's Government feel confident that the Mexican Government will give earnest consideration to the suggestions made for an immediate amicable settlement of this controversy, but in case it should unfortunately transpire that such a settlement is for any reason impossible, His Majesty's Government suggests the propriety of immediately submitting the whole matter for determination to the Permanent Court of Arbitration at The Hague.

The American Minister on this occasion handed to the Minister for Foreign Affairs the following note:

MR. MINISTER: Referring to the memorandum re the Tlahualilo case now under the consideration of the Mexican, British and American Chancelleries, which His Britannic Majesty's Minister in Mexico has handed to your excellency on this date, I have the honor to inform your excellency that I am instructed by my Government to say that it fully endorses, approves and makes its own the contentions and conclusions thereof, and at the same time to express the earnest hope that an early and just solution of this question may be arrived at.

The British memorandum and the American note of August 4 were submitted by the Foreign Office to the Department of Fomento on August 17. On October 10, 1910, the American Ambassador received from the Foreign Office a copy of a note to the latter from the Department of Fomento, which the Ambassador transmitted to the Department of State with his despatch of October 13, 1910.[1] This note reads as follows:

In accordance with the President's express directions I have to inform you that he finds no provision in the laws of the country permitting him to intervene in suits being prosecuted in local courts; and, as I have advised you previously, neither the law nor the dignity of the Government itself, will permit the withdrawal or suspension of the case brought by the Tlahualilo Company against the Government of Mexico; that upon examination of the British memorandum reasonings are discovered which are based either on unproved or distorted facts, and in addition there are omissions concerning the acts and conduct of the Tlahualilo Company relative to its contract with the Mexican Government; that this deficiency in the relation of the facts demands verification of the bases upon which the conclusions presented by the Minister of Great Britain rest and render it indispensable that the suit which has been brought be continued, so as once for all to fix precisely the facts from which the rights of the Mexican Government as well as those of the Tlahualilo Company emanate; that, as I have informed you on a former occasion, there is nothing to do but to await the decision of the courts. If this is adverse to the Government, it will be strictly complied with in favor of the Company; it will then be proper to listen to the Company's propositions for arriving at an arrangement, which, without jeopardizing rights previously acquired, may favorably settle the difficulties in which the Tlahualilo Company finds itself.

Therefore, in accordance with the President's directions, I enclose to you a counter-memorandum in which the Department under your worthy charge will find well-founded reasons for not accepting the conclusions referred to in the communications from the Minister of Great Britain and the Ambassador of the United States of America.

The counter-memorandum above referred to is to the effect that:

The contract under which the Company bought of Don Juan Flores certain lands in the Tlahualilo marsh cannot confer upon the Company the right to take water from the Nazas River notwithstanding that the contract so declares, since Flores had not possessed that right. It was, indeed, for this reason that the Company solicited a concession of such a right from the Federal Government.

The concession was granted, but was expressly made subject to approval by Congress.

This concession provoked serious opposition by riparian owners, and commissions were appointed to measure the river's flow, and reported a flow sufficient to warrant the concessionaires' use of surplus waters.

A solution of the surplus-waters problem—the bifurcation of the Nazas River by a canal and dams—was stipulated by the Government of Coahuila and accepted by the Company and made an integral part of the concession. Congress thereupon approved the concession (June 6, 1888).

[1] File No. 412.11T54/113.

In 1891 and again in 1895 certain regulations were made to secure a fair apportionment of the waters of the river, and the Tlahualilo Company received the surplus granted by the concession.

But neither of these regulations entitle the Company to the water because (1) the Company's rights derive from a contract approved by Congress, and only Congress can modify that contract; and (2) the Company has no title of ownership of the waters, nor does it claim to have such a title. Therefore, insofar as the Company was concerned, the Government was at liberty to modify the regulations of 1891 by those of 1895.

The Company claims that the 1895 regulations deprived it of eight tenths of its allowance. It also states that it was under the regulations of 1891 that it made its large loan of £350,000. But this loan was carried into effect much later than 1895, when the second regulations, now complained of, were promulgated, "so that when English capital was invested in the business of the Tlahualilo Company it was well known that the amounts of water used by said Company on its properties were governed by the Regulations of 1895. The date of the instrument covering the loan is November 14, 1896."

The Mexican Government is not responsible for incautious investments in the Company's bonds regardless of the foregoing facts. And as to the assertion by the Company of a loss of eight-tenths of its water supply as a result of the Regulations of 1895, the loss is in reality only 5%, as shown by the measurements. And even with this loss the Company is still unable to make use of all the waters allotted by the Regulations of 1895, as shown by the measurements of the Nazas Commission.

But there is a point of decisive importance that was omitted from the memorandum presented by the British Minister, namely, that the Company expressly accepted the Regulations of 1895, as shown by documents to which reference is hereby made.

And finally it must be remembered that the Tlahualilo Company is and was from its beginning a Mexican corporation, whose shareholders, as far as the Mexican Government knows, were neither British subjects nor American citizens when the concession was granted nor when the regulations of 1891 and 1895 were issued; and that it was only after these dates that a group of British subjects and American citizens acquired shares in the Company by virtue of the £350,000 loan.

The Department of State on November 14, 1910, replied[1] to the Ambassador's despatch of October 13, and inclosed a proposed draft note to the Mexican Foreign Office in reply to the above-summarized counter-memorandum of the Department of Fomento. The Ambassador was instructed to support any note or memorandum delivered by the British Minister to the Foreign Office which substantially accorded with and did not essentially differ from the proposed draft note, a copy of which he was instructed to leave with the British Minister if desired. The Department's instruction continues:

It will be observed that the proposed draft summarizes the essential equities of the Tlahualilo Company, points out that these have not been denied by the Government of Mexico, accedes to the request of that Government that discussion of the concessionary water rights of the Tlahualilo Company be postponed until the decision of the Mexican courts, and formally requests that inasmuch as the reply of the Mexican Government does not deny the essential contentions of the Government of the United States regarding the San Fernando water rights of the Tlahualilo Company,[2] the Mexican Government shall at once put that Company into the immediate possession of such rights. The note moreover declares that if the Government of Mexico is unwilling to grant this request, then the matter of the San Fernando water rights should be submitted to arbitration before the Permanent Tribunal at The Hague; and in the event the Mexican Government should choose the latter course, there is transmitted for its consideration a draft protocol of submission.

[1] File No. 412.11T54/113.

[2] These are the rights embodied in the purchase from Don Juan Flores, before mentioned.

The draft protocol mentioned in the last sentence above submits for arbitration the following seven questions:

1. Was the Tlahualilo Company, on December 17, 1890, as the owner of the Hacienda of San Fernando, vested with the right to receive water from the Nazas River; and, if so, what was the nature and extent of the right?

2. If such right existed, what effect if any did the Regulation of June 24, 1891, have upon it?

3. If such right existed, what effect if any did the Regulation of June 15, 1895, have upon it?

4. Was it just, fair, equitable or lawful for the Executive of Mexico, in 1908 and in 1909, by Executive decree, without prior judicial sanction and without compensation either to the Tlahualilo Company or to its British and American shareholders, to take from said Company, as owner of the Hacienda of San Fernando, any portion of the water of the Nazas River which, as such owner, said Company had been receiving under the Regulations of 1891 and of 1895 aforesaid, or under either of them; and, if not, is the Government of Mexico under obligation to reinstate said Company in its water rights as enjoyed under either or both of said Regulations, or as defined by said Regulations or either of them?

5. Was it just, fair, equitable or lawful for the Executive of Mexico, in 1908 and in 1909, by Executive decree, without prior judicial sanction and without compensation to the British and American mortgage creditors of the Tlahualilo Company, to take from said Company, as the owner of the Hacienda of San Fernando, any portion of the water of the Nazas River which, as such owner, said Company had been receiving under the Regulations of 1891 and of 1895 aforesaid, or under either of them, thereby lessening and impairing the security of said British and American mortgage creditors; and, if not, is the Government of Mexico under obligation to reinstate said Company in its water rights, or to restore the security of said foreign creditors, as enjoyed by them respectively under either or both of said Regulations or as defined by said Regulations or either of them?

6. If the award under the 4th question above should be against Mexico, what sum, if any, is under all the circumstances equitably and justly due from the Government of Mexico to the Tlahualilo Company or to the British and American shareholders of said Company, for the water of which they have been deprived by the Government of Mexico as a result of the making, issuing and enforcing by that Government of the Executive Orders or Regulations of July 1st and August 13th, 1908, and of August 27, 1909, and for the damages which they have sustained and the expenses which they have incurred as a result of the action of the Government of Mexico in that regard?

7. If the award under the 5th question above should be against Mexico, what sum, if any, is, under all the circumstances, equitably and justly due from the Government of Mexico to the Tlahualilo Company or to the British and American mortgage creditors of said Company for the water or security of which they or any of them have been deprived by the Government of Mexico as a result of the making, issuing and enforcing by that Government of the Executive Orders of Regulations of July 1st and August 13, 1908 and of August 27, 1909, and for the damages which they or any of them have incurred as a result of the action of the Government of Mexico in that regard?

The protocol then provides as follows:

Article 8. If the Tribunal shall find that the Government of Mexico, in 1908 and in 1909, as a matter of fairness, justice, equity and law, should not have taken from the Tlahualilo Company, as owner of the Hacienda of San Fernando, through Executive decree, without prior judicial sanction, and without compensation either to the Tlahualilo Company or to its British and American shareholders, any portion of the water of the Nazas River which, as such owner, it had been receiving under the Regulations of 1891 and of 1895 aforesaid or under either of them, then and in that case the Government of Mexico shall, within thirty days after such award shall have been made, reinstate the Tlahualilo Company in its rights as owner of the Hacienda of San Fernando, in accordance with the provisions of the Regulations of 1891

and of 1895, or of either of them, as may be decided by the Arbitral Tribunal; and the Government of Mexico shall thereafter continue to respect such rights and to protect said Company and its successors in the full and free enjoyment thereof.

Article 9. If the Tribunal shall find that the Government of Mexico, in 1908 and in 1909, as a matter of fairness, justice, equity and law, should not have diminished or impaired the security of the British and American mortgage creditors of the Tlahualilo Company by depriving said Company, as owner of the Hacienda of San Fernando, through Executive decree, without prior judicial sanction and without compensation either to the Tlahualilo Company or to its British and American mortgage creditors, of any portion of the water of the Nazas River which, as such owner, it had been receiving under the Regulations of 1891 and 1895 aforesaid or under either of them, then and in that case the Government of Mexico shall, within thirty days after such award shall have been given, reinstate the Tlahualilo Company in its rights as owners of the Hacienda of San Fernando in accordance with the provisions of the Regulations of 1891 and 1895, or of either of them, as may be decided by the Arbitral Tribunal; and the Government of Mexico shall thereafter continue to respect such rights and to protect said Company and said mortgage creditors and its and their successors in the full and free enjoyment thereof.

In his despatch No. 272 of November 30, 1910, the Ambassador reported[1] that in compliance with the foregoing instructions a memorandum and protocol in substantial accordance with those forwarded by the Department were presented to Mr. Creel, Minister for Foreign Affairs, on November 29, jointly by the British Minister (Mr. Tower) and himself, the principal part on that occasion being taken by the British Minister, in accordance with the Department's instructions. The last two paragraphs of the memorandum read as follows:

In view of the fact, therefore, that the Mexican Government have not denied and do not deny the existence of the fundamental elements involved in the substantial and large rights and equities of the Tlahualilo Company with reference to its San Fernando water rights (the existence of which rights and equities must, therefore, be regarded as admitted by the Mexican Government), and considering that under the facts and law of this case there be deemed to exist in favour of the Tlahualilo Company an unimpeachable right to the water which it acquired under its San Fernando purchases, as such rights have been determined, defined and confirmed by the Mexican Government, and have been enjoyed by the Company without let or hindrance or question for almost two decades—His Majesty's Government are forced to conclude that the interference with those rights by the Mexican Government cannot be sanctioned either by the law of Mexico or the law of nations, and that therefore the Mexican Government are under the obligation immediately to restore to the Tlahualilo Company its rights under the San Fernando purchase as those rights were determined, defined and confirmed by the Regulation of 1891, and reaffirmed by that of 1895, and also to compensate such Company and its security-holders for the losses which this interference has occasioned. However, should the Mexican Government be unwilling to undertake to carry out the adjustment thus proposed, His Majesty's Government request that the whole matter be immediately referred for adjudication to an international arbitral tribunal to meet at The Hague. At the same time His Majesty's Government cannot but feel that the added expense and delay which this latter course will entail upon the Company and the security-holders are unwarranted and unjustified.

Should, nevertheless, the Mexican Government elect to arbitrate rather than to settle this claim, in accordance with the proposal hereinbefore made, the undersigned, on behalf of His Majesty's Government, has the honour to propose the subjoined protocol of submission, to conclude which he is duly and fully authorized.

The despatch of November 30 continues:

Mr. Creel said that it seemed to his Government rather unusual and at variance with established diplomatic usage for the representatives of foreign

[1] File No. 412.11T54/127.

Governments to press for a decision in a matter pending before the national tribunals. To this, answer was made that the question of the San Fernando water rights was not considered as submitted for decision to the Mexican courts, but the general proposition he advanced was not discussed.

Another point made by Mr. Creel was that the Tlahualilo Company was a Mexican corporation and that he was doubtful whether the Mexican Government was prepared to recognize the right of foreign governments to intervene in behalf of the stockholders of a registered Mexican corporation.

To this Mr. Tower replied that the announcement of such a doctrine by the Mexican Government would do the greatest possible harm to Mexican credit with British investors and capital and that, speaking as a friend of Mexico, he would greatly deplore the assumption of such a position by the Mexican Government.

In my turn I stated that while I was not prepared to speak positively in regard to the general rule, I felt quite sure that my Government would be averse to refusing its protection to American investors abroad upon the pretext that their rights to protection as American citizens had been waived or forfeited as a result of foreign incorporation or registration.

Mr. Creel said that there must be some limit put to the intervention of foreign governments in such cases and that the Mexican Government was inclined to regard them with apprehension.

I replied that something ought to be granted to the sense of justice and to the dignity and correctness of procedure of the interested Governments, and that it might be confidently relied upon that no self-respecting nation having friendly relations with Mexico would ever intervene in behalf of a cause not considered to be founded in justice or sanctioned by international precedent.

Mr. Creel stated in reply that this point was having more weight with him in making up his decision than anything else and that, knowing the correctness of the attitude of Great Britain and the United States, he was disposed to find a solution of the difficulty in some direct arrangement mutually satisfactory rather than to resort to the expensive and protracted consideration of the case that would be necessitated by its submission to an arbitral tribunal at The Hague.

The Department in replying to the foregoing despatch, and particularly the last paragraph above quoted, instructed the Ambassador on January 5, 1911,[1] as follows:

Observing from your report that the Minister of Foreign Affairs expressed his disposition to find a solution of the controversy otherwise than by arbitration, you will continue to support such representations looking to that end as may be made by your British colleague.

On March 7, 1911, the Department of State telegraphed the Chargé d'Affaires at Mexico City[2] the text of the following instruction to the American Ambassador to Great Britain,[3] sent on the same day:

Informally represent to the Foreign Office the apparent desirability of requesting from Mexico an immediate answer to the British Minister's memorandum of November 29, 1910, and say that this Government will support and adopt the British representations to Mexico if they embody the following essential points:

After referring to the fact that on August 4, 1910, as a result of previous discussion, the Government of the United States joined with that of Great Britain in presenting to the Mexican Government a note setting forth the position of the United States upon the Tlahualilo controversy; that on October 7, 1910, the Mexican Government submitted a memorandum in reply to that note; and that under date of November 29, 1910, the Government of the United States joined in a note answering the contentions put forth in the memorandum of the Mexican Government, which note set forth the final position of this Government in this matter—the note or memorandum should say:

"It will be recalled that in this latter note, after distinguishing between the concessionary rights and the San Fernando rights and after calling at-

[1] File No. 412.11T54/127. [2] File No. 412.11T54/133b. [3] File No. 412.11T54/133a.

tention to the fact that the United States was willing to postpone further discussion of the concessionary rights pending an early final adjudication thereon by the Mexican courts, this Government discussed the San Fernando rights of the Tlahualilo Company and concluded with the following paragraphs: (Insert last two paragraphs of British memorandum of November 29.)[1]

"Notwithstanding the serious urgency with which the views of the two Governments and the propositions made by them were thus expressed, more than three months have now elapsed without any word having been received from the Government of Mexico as to its determination in the matter. In view of the full consideration which the subject has already received by the Mexican Government, as also of the absolute need of the Company for an early determination of the matter in order to prevent the infliction of still further injury which would go to swell the great damages already suffered by the Company, the Government of the United States finds itself under the necessity of again bringing this matter to the careful attention of the Mexican Government and of again requesting that the matter be given immediate consideration in order that the Mexican Government may at once inform this Government which of the alternative methods proposed it elects to follow in making a settlement of this really serious matter."

The Department, having quoted the above instruction to the Embassy at London, instructed the Chargé d'Affaires to act in accordance therewith, and the British Government instructed its Minister to Mexico to join his American colleague on the lines suggested.[2]

The British note to Mexico, in conformity with the foregoing, was presented on March 16, 1911, supported by a note by the American Chargé d'Affaires on the 17th.[3]

In the meantime, on March 9, the American Chargé d'Affaires had informed the Department[4] that the Mexican Supreme Court had on February 15 adjudicated the Tlahualilo case and that he would forward a summary of the decision, as soon as available. This was done shortly thereafter and showed that the Court had rescinded the concession, declaring that the Tlahualilo Company had not nor had at any time possessed any rights thereunder to the waters of the Nazas River.

The findings and decision of the Supreme Court occupy an octavo pamphlet of 193 pages[5]. The decision (pp. 190–193) is in translation substantially as follows:

First. The Compañía Agrícola Industrial Colonizadora Limatada del Tlahualilo has *not justified* the action for specific performance and for damages brought by it against the Federal Government on April 27, 1909.

Second. The Federal Government *has justified* its *counterclaim* for rescission of the contract of concession granted to said Company on June 2, 1888, and approved by decree of June 6, 1888.

Third. The Federal Government, represented by its Department of Fomento, is consequently absolved of the claim against it presented by said Company which claim comprises the following: (a) Fulfillment of the contract of May 30, 1888, as amended by the law of June 24, 1891. (b) Recognition of the water rights of said Company as set forth in the Regulations of June 24, 1891. (c) Reinstatement in the enjoyment of said rights. (d) Nullification, in regard to said Company, of the Regulations of June 15, 1895, and of the various orders that had for their object the reduction of the water rights confirmed to said Company by the Regulations of 1891. (e) Payment of the sum of $11,348,743.12 damages suffered up to September 1, 1908. (f) Payment of damages arising from curtailment of water supply to this date and those that may arise pending the re-entry of the said Company into possession of its water rights, calculated on the same bases that served in preceding calculations of

[1] See ante.
[2] File No. 412.11T54/137.
[3] File No. 412.11T54/141.
[4] File No. 412.11T54/139.
[5] File No. 412.11T54/149.

damages. (g) Payment of the further damages caused by emigration of colonists, loss of labor, cessation of industries and impairment of properties and improvements such as shall be ordered and proved in the course of this action and according to the bases of liquidation to be fixed by the court. (h) Payment of legal interest on the sums owing from the dates from which such obligations begin to run.

Fourth. The contract of June 2, 1888, between the Secretary of Fomento as representative of the Executive of the Union and José de Teresa y Miranda as representative of the Compañía Agrícola Limitada so-called "del Tlahualilo," which was approved by decree on June 6, 1888, is hereby rescinded.

Fifth. The intervention in this action of the Sindicato de Ribereños Inferiores del Río Nazas is pertinent only insofar as it coincides with the negative claim made by the Federal Government and with the counterclaim for rescission. It has no basis for declarations touching the transaction of May 22, 1888, nor any other controversy between the said Syndicate and the said Company whose respective rights are left unaffected.

Sixth. The question of costs is not here adjudicated: Each party will pay its own costs and expenses, and those incurred in common will be shared equally. * * *

So ordered, by a unanimous vote of the Tercera Sala of the Supreme Court of the Nation.

The Department of State, in view of this decision, on March 18 instructed the Ambassador at London[1] to say to the British Government:

That this Government, after preliminary examination of decision is convinced of desirability of immediately bringing to the attention of the Mexican Government the fact that the recent decision of the Mexican Supreme Court regarding the rights of the Tlahualilo Company cannot ,for the reasons indicated below, be regarded as a satisfactory disposition of the matter, and the American Ambassador at Mexico City will be instructed to support and adopt representations to the Mexican Government upon this case, if representations embody the following essential points:

The Government of the United States finds itself under the necessity of declaring that the decision of the Court rescinding the concession and declaring that the Tlahualilo Company has not and never had any rights thereunder to the waters of the Nazas River cannot be regarded by the Government of the United States as a just, equitable, or satisfactory determination of the questions involved. The Government of the United States, therefore, has the honor to request either that the Government of Mexico, as heretofore requested by this Government, at once undertake to make a mutually satisfactory adjustment with the Tlahualilo Company regarding its water rights under its concessionary grant of 1888; or that, failing such an adjustment, the matter be immediately referred to arbitration. In the latter case and in case the Company's San Fernando water rights be submitted to arbitration as heretofore proposed, the Government of the United States requests that both questions be dealt with at the same time. However, should the Mexican Government elect to restore the Company to the possession of its full San Fernando rights without arbitration, then the Government of the United States requests that the questions involved in the extent of the Company's concessionary rights be at once submitted to arbitration under a separate protocol which will be proposed.

The above instruction was on the same day quoted in a telegram to the Chargé d'Affaires at Mexico City[1] and he was instructed to act in accordance therewith in supporting such representations as might be made by the British Minister.

In response to the above instruction the American Chargé d'Affaires at London telegraphed[2] on March 23 to the Department as follows:

Your March 18 was informally presented in substance on March 22 to the Foreign Office, with mention of its urgency. The judgment of the Mexican Supreme Court is daily expected and an answer will be given me immediately after its receipt.

[1] File No. 412.11T54/138a. [2] File No. 412.11T54/140.

On March 30 the American Ambassador to Great Britain telegraphed[1] as follows:

Embassy's March 23 and Department's March 18. The decision of the Supreme Court of Mexico received by the Minister for Foreign Affairs, who in view thereof concurs in proposal to address to Mexican Government a joint note on lines of your March 18, in which sense British Chargé d'Affaires in Mexico has been instructed.

The Department on March 31 replied:[1]

Your March 30. Refer to previous instructions and do not overlook that by reason of preponderant British interest the British Government assumes the lead in all Tlahualilo representations, the United States merely supporting and adopting the original representations made by the British Government.

The Ambassador answered this on April 3 as follows:[2]

Your March 31. I mentioned to Sir Edward Grey today that we expect his Government to assume the lead. Sir Edward seemed to have no objection to your view.

The Mexican Foreign Office on March 30 had sent a memorandum[3] to the British Chargé d'Affaires in response to the British memorandum of November 29, 1910; this Mexican memorandum (prepared on March 4 in the Department of Fomento) goes minutely into the technical details submitted in the British memorandum, and concludes:

For these reasons it is not possible for the Mexican Government to admit any claims on the part of the Tlahualilo Company; for these same reasons the Mexican Government are not of opinion that the question is one for submission to an international court of arbitration.

Against this measure of solution the Mexican Government have in addition other observations to make, to-wit:

(a) The Tlahualilo Company are a Mexican Company constituted in accordance with Mexican laws, in the organization of which neither British nor American citizens appeared.

(b) The Tlahualilo Company accepted as a condition of the concession submission to the Mexican courts.

(c) The interests in the Tlahualilo Company held by persons who have solicited the support of the Governments of His British Majesty and of the United States of America are those of the mortgage loan issued on the Tlahualilo Company's properties, as has at various times been proved and as is publicly known.

Consequently the only legitimate interest possessed by the holders of the mortgage bonds is that their loan be well guaranteed, and the only action open to the said bondholders is, not by proceeding against the Mexican Government, but against the Tlahualilo Company.

The Mexican Government therefore believe it to be their duty to decline the two extreme alternatives proposed by the British memorandum of November 29, 1910.

The Tlahualilo Company carried its case to the Mexican Court of Appeals, while the British Government on May 3 reiterated the representations made in the memorandum of November 29, 1910. The Mexican Government in reply[4] on May 3 reiterated its statements in the memorandum of March 4 delivered to the British Legation on March 30; it emphasized the contention that as the Tlahualilo Company was a Mexican corporation diplomatic repre-

[1] File No. 412.11T54/143.
[2] File No. 412.11T54/145.
[3] File No. 412.11T54/156.
[4] File No. 412.11T54/159.

sentations could not be invoked, adding in support of its position many quotations from American and other decisions; and concludes:

In view of the soundness of the reasons above given the Government of Mexico hopes that the Government of His Majesty will not insist on the representations contained in the notes under acknowledgment.

On July 15, 1911, the Department of State instructed[1] the American Ambassador to Great Britain to inform the Foreign Office that the American Ambassador to Mexico "will be instructed to support any informal representation by the British Legation in Mexico embodying the following essential elements":

Owing to a desire of His Majesty's Government to refrain from unnecessarily embarrassing the Government of Mexico during the present transitory disturbed political conditions in Mexico, no formal reply has yet been made to the note of the Mexican Government.

In order that this delay may not be wrongly interpreted, I am directed by my Government informally to advise your excellency that my Government can not accept the contentions of your excellency's note as a satisfactory reply to the representations heretofore made, and particularly that it can not accept the contention that the fact that the Tlahualilo Company is Mexican operates as a bar to representations by His Majesty's Government on behalf of British stock and bond holders of that company, but that on the contrary His Majesty's Government must insist upon its right under the circumstances of this case to intervene for such stock and bond holders, such course being in accord with well-recognized international precedents.

The American Ambassador to Mexico was instructed[2] on July 15 to adopt and support informal representations by the British representative embodying the Department's views as above expressed.

The British representative sent his note on August 2, 1911, supported on August 4 by the American Chargé d'Affaires. The British note reads as follows:

Upon receipt of the note from your Department dated May 3d last, on the subject of the Tlahualilo Company controversy, I lost no time in forwarding it to my Government for their consideration.

His Majesty's Government being desirous to cause no additional embarrassment to the Mexican Government during the period of political unrest in the Republic, delayed for a time their reply to the above note, but I am now instructed to inform you that they can not accept the validity of the second contention put forward by the Mexican Government, namely that the Tlahualilo Company being a Mexican Company is not susceptible of intervention in its affairs on the part of a foreign Government. While His Majesty's Government are prepared to await the result of the suit in the Court of Appeal, yet, should the verdict not give the Company that relief to which they are entitled, they will feel obliged to make diplomatic representations on behalf of the British interests which are involved.

The American supporting note says:

I am instructed by my Government to inform the Mexican Government that it fully endorses, approves and subscribes to the note presented to your excellency's office by the Chargé d'Affaires of Great Britain at this capital, under date of the 2nd instant, this note being a rejoinder to one of the contentions of your excellency's Government relative to the Tlahualilo controversy, as set forth in your excellency's note of the 3d of May last to the British Legation, a copy of which your excellency's office was good enough to transmit to this Embassy in note No. 34918 of the same date.

In this connection I have the honor to say that the Government of the United States cannot accept any more than that of Great Britain the contention that the fact that the Tlahualilo Company is a Mexican corporation

[1] File No. 412.11T54/159a.

[2] File No. 412.11T54/159b.

operates as a bar to diplomatic representations by the Governments concerned, on behalf of their respective nationals who are stock and bond holders in the company, such protective intervention being in accord with well-recognized international precedents.

Further and more formal reply to the note of your excellency's Government of May 3d last will, without doubt, be made by His Britannic Majesty's Government in due time, and will in all probability, after having been considered by my Government, be fully subscribed to by it.

Copies of the foregoing notes were forwarded to the Department of State on August 4.[1]

Interviews with the President of Mexico had meantime been had by the American and British representatives looking to a suspension of legal proceedings and a settlement out of court, but came to no conclusion, and on August 29, 1911, the British Chargé d'Affaires requested the Mexican Government "that the legal proceedings may be continued and carried to their conclusion with all possible celerity."[2] To which the Mexican Government acceded.

The time prescribed by law for rendering the decision expired December 16, 1911, but the Court of Appeal had not yet decided the case on that date. On December 21 the British, and on the 22d the American representative, called the Foreign Office's attention to this delay.[3]

Matters so stood until July 24, 1912, when the Court of Appeal rendered its decision, the first paragraph of which is as follows:

First. The decision of first instance, dated February 15, 1911, rendered by the Third Chamber of the Supreme Court, in the civil suit brought by the Compañía Agrícola, Industrial, Colonizadora Limitada del Tlahualilo, S. A., against the Mexican Government, concerning the observance of the contract of May 30, 1888, and the payment of damages is hereby confirmed in every respect.

The remaining portion is merely a repetition of the orders of the lower court. This decision, however, was not unanimous, as one of the three judges in a dissenting opinion favored the essential contentions of the plaintiff company. The decision was forwarded[4] on July 24 to the Department, and on August 12, 1912, the American Ambassador was instructed[5] that:

For reasons already brought to the attention of the Mexican Government (see British memorandum presented August 4, 1910, and approved by this Government; British memorandum of November 29, 1910, also approved by this Government) as well as for other considerations not now necessary to mention, the Department cannot accept the decision of the Supreme Court of Mexico in the Tlahualilo case as a satisfactory disposition of the questions involved in the controversy between the Tlahualilo Company and the Mexican Government.

Moreover the Department is convinced that the only proper and satisfactory method of adjusting this dispute is by arbitration, which, to be of most service to the Company and to the Government of Mexico, should be immediate.

The Government of the United States cannot admit the validity of the contention of the Government of Mexico that the fact that the Tlahualilo Company—the party immediately involved in the controversy—is Mexican, operates as a bar to representations by this Government for and in behalf of the American stock and bond holders possessing the real beneficial interest in the enterprise, but on the contrary this Government must insist upon its right under the circumstances of this case to intervene for such stock and bond holders, such course being in accord with well-recognized international precedents (British note of August 2, 1911, approved by this Government.)

[1] File No. 412.11T54/165.
[2] File No. 412.11T54/167.
[3] File No. 412.11T54/169.
[4] File No. 412.11T54/178.
[5] File No. 412.11T54/181.

The attitude of the Governments of the United States and Great Britain upon the question of representation in such cases was made clearly apparent in the measures mutually taken by them in the now famous Delagoa Bay Case,[1] a case practically on all fours with the present, the principle of which has been repeatedly affirmed.

You will approve and support for and in behalf of the American interests in this claim any note or memorandum delivered by the British Minister at Mexico City to the Minister of Foreign Affairs of Mexico embodying essentially the above position and looking to the early making of an agreement for the submission of the Tlahualilo case to arbitration including in such arbitration both the San Fernando and Concessionary water rights.

For information regarding contention of the Mexican Government as to nationality of enterprise, see counter-case of the United States in the Alsop Claim, pp. 70–86, Moore's Digest, VI, 647 et seq.; as to finality of decisions of local tribunals see idem pp. 254–255, 258, 268, 287, 667, 698; and as to weakening security hypothecated to bondholders, see idem page 724.

The substance of this telegram was transmitted[2] on August 15, 1912, to the American Embassy at London. The British Government approved the position taken and Sir Edward Grey inquired through the Ambassador[3] on September 7 whether or not the American Government would be willing to take the initiative in the demand for arbitration, basing its demand on the Treaty for the Arbitration of Pecuniary Claims, of January 30, 1902,[4] extended by a convention signed at Rio de Janeiro August 13, 1906,[5] and ratified by the United States and Mexico. If so, instructions would be sent to the British Minister at Mexico City to expedite such action as the British and American Governments may consider desirable.

In conclusion Sir Edward said that the Mexican Minister for Foreign Affairs had recently stated that he would be willing to discuss the case with Mr. James Brown Potter, President of the Mexican Cotton Estates of Tlahualilo, Limited, with a view to settlement, and that the British Government had no wish to object thereto but could not postpone arbitration negotiations, which should continue simultaneously.

On September 13, 1912, the Department of State, referring to the foregoing and previous correspondence, sent to London[6] a draft preamble for a protocol of arbitration, to replace that of November 14, 1910, the remainder of the protocol to stand as in that of November 14. The Ambassador was instructed that the Department felt that the two Governments should not acquiesce in a perfunctory objection by Mexico to the language of the draft but should insist on its form as presented unless Mexico adduced some well-founded objection. As to the initiative being taken by the United States the fact that the Tlahualilo holding company was a British corporation and the majority of its stock and bond holders British, it would materially weaken the representations for this Government to take the initiative. But the United States would invoke the Pecuniary Claims Convention, if Mexico showed a real unwillingness to arbitrate, in its notes supporting any British representations that might be made.

This position was accepted by the British Government, which instructed the British Minister to Mexico to present the amended convention to the Mexican Government and urge its acceptance. This was reported from the American Embassy at London on October

[1] For. Rel. 1900, p. 903.
[2] File No. 412.11T54/181.
[3] File No. 412.11T54/187.
[4] For. Rel. 1905, p. 650.
[5] See p. 1349 of this volume.
[6] File No. 412.11T54/187.

9, 1912.[1] Further amendments were agreed on by the two Governments during October and November,[2] and on November 20 the British Legation's note demanding arbitration and transmitting a copy of the draft protocol was sent to the Foreign Office.[3]

The Mexican Minister for Foreign Affairs had meantime left for Washington to discuss in person all the affairs pending between his Government and the United States, including the Tlahualilo case, and the arbitration matter was held in abeyance. The Minister returned during January, 1913, and the following correspondence ensued.

File No. 412.11T54/205.

The American Ambassador to the Secretary of State.

[Telegram—Extract.]

AMERICAN EMBASSY,
Mexico, January 30, 1913.

The Minister for Foreign Affairs, after an interview with the President, said to-day to Mr. Schuyler that he would soon send me a note refusing arbitration, not only because arbitration is impracticable on the basis of the protocol, but because the Government and the Company were expecting to arrange an amicable settlement, the terms of which will be submitted to the Department which, he said, had agreed to be judge of its justice.

WILSON.

File No. 412.11T54/205.

The Secretary of State to the American Ambassador.

No. 1228.] DEPARTMENT OF STATE,
Washington, February 21, 1913.

SIR: Referring to that part of your telegram of January 30 which relates to the Tlahualilo case, the Department notes with some surprise the position of the Minister for Foreign Affairs as recorded therein.

In stating that he would address to the Embassy a note in which his Government would express its willingness to abandon arbitration as a means of settlement for the difficulties between the Tlahualilo Co. and the Mexican Government without, at the same time, indicating that that note would contain, as an alternative for arbitration, proposals for the settlement of these difficulties by direct agreement between the Mexican Government and the Tlahualilo Co., Mr. Lascurain did not act as the Department understood that he would on the occasion of the conversation between Mr. Lascurain and Secretary Knox on January 3, a memorandum of which was transmitted to you with the Department's No. 1166 of January 9, 1913.[4]

You will secure an early interview with Mr. de la Barra and say to him that it is the Department's understanding, as he will observe by reference to the memorandum of Mr. Lascurain's conversation

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[1] File No. 412.11T54/195.
[2] File No. 412.11T54/196a, 196b, 198, 199, 200.
[3] File No. 412.11T54/202.
[4] Printed under "Claims of American citizens against Mexico, etc."

with the Secretary of State, that he would, in the same note in which he would express the willingness of his Government to abandon arbitration as a means of settlement of the Tlahualilo controversy, also propose that the differences between the Mexican Government and the company be settled by some sort of direct agreement; and at the same time would submit definite proposals which should serve as a basis for such agreement in settlement.

In speaking to Mr. de la Barra the Department hopes that you will not lose the opportunity of saying to him that Mr. Lascurain's remarks to the effect that the company's contentions are not well founded can not be accepted by the Department without some expression of demurral, since it is understood that the dissenting opinion of the Supreme Court of Mexico at the time of the decision [1] to which the company now objects upheld the company's contentions in almost every particular.

I am [etc.],

P. C. KNOX.

File No. 312.11/1282.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, March 18, 1913—2 p. m.

118. The exact text of a note just received from the Foreign Office follows:

Relative to the questions pending between our Governments, I have the honor to assure your excellency of the friendly attitude of Mexico in its desire to settle them satisfactorily.

The Government of Mexico not only wishes to show that it is moved by the highest sentiments of justice and that it desires to create closer relations with the United States, but to demonstrate by actual deeds that, the national crisis having passed, it wishes to initiate a reorganization of the country by satisfying all claims founded on law and equity.

[References to the Chamizal and Colorado River cases.]

The case of the Tlahualilo Company was definitely decided by the Supreme Court of the Republic but the Government of Mexico desires to demonstrate its good intentions towards enterprises which add to the welfare and material progress of the country, and in view of this it will do everything possible in order that the Tlahualilo Company may obtain advantageous arrangements with another or other concerns of those that use the waters of the Nazas River and insure a quantity of water which will satisfy the necessities of its agricultural pursuits. The Secretary of Fomento has made a special study of this case and in accord with my Department will use his good offices towards securing the above arrangements.

[References to border claims cases.]

I believe that the above will convince your excellency that the President of the Republic has given preferred attention to the matters in question and that when they are definitely decided he will do everything necessary to have them closed as soon as possible and in accordance with the general principles of law and the highest equity.

The matters of Chamizal, Tlahualilo, Colorado River, and the Alamo, Douglas and El Paso claims, may be considered as settled in a satisfactory way, as our contentions are acceptable in principle.

HENRY LANE WILSON.

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[1] That of the Court of Appeal, rendered July 24, 1912.

File No. 412.11T54/219.

The American Ambassador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN EMBASSY,
Mexico, April 29, 1913.

Tlahualilo contract of agreement signed by the Government today[1] and the case may be considered as absolutely closed.

WILSON.

File No. 412.11T54/221.

The American Ambassador to the Secretary of State.

AMERICAN EMBASSY,
No. 1956.] *Mexico, May 20, 1913.*

SIR: For the information of the Department I have the honor to transmit herewith a copy in translation of the contract made between the Minister of Fomento of the Provisional Government of Mexico, Sr. Alberto Robles Gil, as the representative of the Executive, and Mr. James Brown Potter, as the representative of the Tlahualilo Company, together with a translation of the note from Mr. de la Barra which transmitted the same to me. The signing of this contract closes the Tlahualilo case.

I have [etc.]

HENRY LANE WILSON.

[Inclosure—Translation.]

The Secretary for Foreign Affairs of Mexico to the American Ambassador.

FOREIGN OFFICE,
Mexico, May 19, 1913.

MY DEAR MR. WILSON: Enclosed I have the honor to transmit to your excellency a copy of the contract between Sr. Alberto Robles Gil, Secretary of Fomento, Colonization and Industry, as the representative of the Executive, and Mr. James Brown Potter, representative of the Compañía Agrícola, Industrial, Colonizadora, Limitada del Tlahualilo, S. A.

The said contract will show your excellency the friendly disposition which the Executive has to favor the company referred to in so far as is possible.

I am [etc.]

F. L. DE LA BARRA.

[Subinclosure—Translation.]

Contract settling the controversy between the Mexican Government and the Tlahualilo Company.

Contract entered into on the one hand by C. Alberto Robles Gil, Secretary of Fomento, Colonization and Industry, in representation of the Executive of the Mexican Republic, and on the other hand by Mr. James Brown Potter, in representation of the Compañía Agrícola, Industrial, Colonizadora, Limitada del Tlahualilo, S. A. (hereinafter denominated the Company) and the said Mr. James Brown Potter and Mr. Severo Mallet-Prevost, in representation of

[1] The contract was, however, signed the 28th; see post.

the Trustees for the holders of the mortgage bonds issued by the said Tlahualilo Company (hereinafter denominated the Bondholders).

With the object of promoting the cultivation of the lands at present belonging to the Company and which, although open to cultivation, lack the water necessary for their irrigation, and at the same time with the object of putting an end to the differences which have up to this date existed between the said Company and the Federal Government, both parties have come to an agreement, which the Bondholders accept, in accordance with the following clauses:

1. The Federal Government ratifies and confirms in favor of the Company, the water rights belonging to the Hacienda de San Fernando, in the manner and in the terms in which the same are expressed in the Regulations of August 30th, 1909 and in accordance with the interpretation which has been given in actual practice to the said Regulation by the Comisión Inspectora del Nazas during the past two years; and the said Government obligates itself to neither alter nor diminish, without the previous consent of the Company, the water to which this clause refers.

2. The Federal Government obligates itself to grant to the Company, within six months from the date of this contract, in perpetuity, a dotation of water which, taking as a basis the Regulation of August 30th, 1909, shall be represented by the following volumes in "tandas," during the agricultural periods or "ciclos" established by the said Regulation, namely:

First period: 5,335,688 cub. meters.
Second period: 4,198,758.
Third period: 5,128,632.

The company shall receive this water preferentially to the other riparian property owners located below the San Fernando Dam, or, in other words, immediately subsequent to taking the water corresponding to the Santa Margarita, San Fernando and San Antonio Canals in accordance with the said Regulation of August 30th, 1909.

To this end, the Government shall acquire such property or properties in the Nazas region as may be necessary in order that the above water may be obtained without altering the present Regulation.

3. The Federal Government ratifies and confirms in favor of the Company, in perpetuity, the water rights which articles fifth, sixth and seventh of the Regulation of August 30th, 1909, assign to the said Company.

4. In case it shall not be able to utilize the Canal intakes and works appurtenant thereto, which the Government shall acquire in accordance with clause 2 hereof, the Company may construct above the Santa Rosa Dam or above the San Fernando Dam, a special canal intake with a dimension of four meters and fifty centimeters in the clear, corresponding to a normal flow of 11.547 cubic meters, as well as the necessary canal and other works appurtenant thereto, in order that it may convey the waters referred to in the said clause 2, to the Tlahualilo Hacienda lands. The sill of such canal intake shall be at an altitude of 1136 meters 12 centimeters if it be constructed above the Santa Rosa Dam, and of 1137 meters 66 centimeters if it be constructed above the San Fernando Dam.

The Government obligates itself to give to the Company all the aid necessary for the acquisition of the requisite land on which such works shall be located, and in the event that the Government shall acquire any property containing works which may be utilized for the purpose mentioned, the Government will cede them to the Company in so far as the Company may need them, and the Government shall also give to the Company, where a canal is concerned, such portions of land as may be convenient, together with a protective zone and right of way of up to 50 meters on either side of such canal in all its length, to the Tlahualilo Hacienda.

5. The Company shall have the right to take its waters indiscriminately through all or any of the Tlahualilo, San Fernando or San Antonio Canals, or through the canal mentioned in article 4, as it may see fit, and may utilize such waters on any lands belonging to it, at present owned by it or in future acquired.

6. In order that it may enjoy its maximum allotment of water, the Company may take through the San Antonio Canal, over and above the maximum volume alloted to this canal, the maximum volume of six cubic meters per second assigned by the Regulation of August 30th, 1909, to the Santa Margarita

Canal; and to this end, the Company may construct the necessary hydraulic works. Upon doing this, the Company shall abandon its Santa Margarita Canal, but it shall nevertheless preserve its right to take the water corresponding to this canal, either at the Santa Margarita or at the San Fernando Dam.

The Company may also construct such hydraulic works as may be necessary in the San Fernando Canal, in order that the latter shall be able to take the maximum supply of 7.34 cubic meters per second assigned to it by the Regulation of August 30th, 1909.

7. In consideration of the confirmations and concessions granted to it in the foregoing clauses, the Company shall desist from the "Amparo" proceedings which it has instituted against the Department of Fomento, and shall desist from all actions, rights and claims which it may have alleged or which it may claim to have against the Federal Government, in its capacity as owners of the Haciendas of San Fernando and Tlahualilo, whether in regard to the use or enjoyment of water or in regard to damages, or in any other respect, on account of the decisions taken up to this date by the Federal Government regarding the distribution of the waters of the Nazas River. In consequence, the Company also renounces the claims presented against the Government of Mexico before the Governments of the United States and Great Britain.

8. The Government will try, although without any commitment on its part, to have the taxes at present paid by the Company reduced by the Government of the State of Durango, to the end that the same may be proportionate to those paid by other similar enterprises of that region located within the State of Durango.

9. The fifteen thousand pesos in bonds of the Public Debt which, according to the provisions of article 14 of the April 14th, 1887 contract between the Government and the Company, the latter deposited in the Banco Nacional de Mexico, shall be returned to the Company together with their unpaid coupons, and the Government will issue the necessary orders to this effect.

MEXICO, *April 28, 1913.*

(Signed) JAMES BROWN POTTER. S. MALLET-PREVOST. ALBERTO ROBLES GIL.

MOROCCO.

RESPONSIBILITY OF THE MOROCCAN GOVERNMENT FOR THE SAFETY OF FOREIGNERS TRAVELING OR SOJOURNING IN THE EMPIRE.

File No. 881.111

The American Chargé d'Affaires to the Secretary of State.

AMERICAN LEGATION,
No. 363.] *Tangier, February 18, 1913.*

SIR: I have the honor to inform the Department that on December 21st, 1912, the Dean of the Diplomatic Corps put into circulation a letter addressed to him by Sid Mohamed Ben Mohamed El Guebbass, the Sultan's Minister for Foreign Affairs at Tangier, drawing the attention of the representatives of the Powers to the insecurity existing in various parts of the Shereefian Empire, and requesting the members of the Diplomatic Corps to warn their respective nationals who may be traveling or sojourning in the said regions of the dangers to which they are consequently exposed. Sid Guebbass expresses the hope that this regrettable state of affairs will shortly be brought to an end and states that the Diplomatic Corps shall be duly notified of any modification in the long list of districts now alleged to be unsafe for European travel or residence.

In his annotation upon the Dean's circular, the British Chargé d'Affaires recalls the fact that as similar communications in the past were addressed to the Diplomatic Corps by the Sultan's Foreign Minister at Tangier, he suggests that it would be advantageous if the Dean would submit to his colleagues the Décanat dossier on this subject in order that they might acquaint themselves with the attitude of the representatives of the Powers on former occasions concerning this question.

In compliance with the British Chargé d'Affaires' suggestion, the Dean in a second tournée circulated the documents from the archives of the Décanat relating to the question under consideration and in view of the possible importance of the subject the following historical outline of the former correspondence is now laid before the Department.

On the 5th of July, 1895, the Dean of the Diplomatic Corps circulated a copy of the minutes of a meeting of the Diplomatic Corps called to discuss a circular from Sid Mohamed Torres—the Sultan's Foreign Minister at that time—prohibiting the circulation of foreigners in the interior of the Empire and stating that the Maghzen[1] declined all responsibility for the security of foreigners ignoring this prohibition and requesting the representatives of the Powers accordingly to restrain their respective nationals from undertaking journeys into the interior. Annexed to the Décanat

[1] Maghzen or Makhzen means Central Government of Morocco.

circular were drafts of a reply to the Maghzen from Mr. White, the British Chargé d'Affaires, and also from the Minister of Spain.

The British Chargé d'Affaires stated that he had submitted Sid Torres' letter to the British Minister for Foreign Affairs, and that he was instructed to reply that his Government could not countenance any measures involving a general prohibition to foreigners to circulate in the interior of the Empire. This was contrary to treaties which explicitly stipulated that British subjects should enjoy the right to travel and trade throughout the country in all security. The failure of the Maghzen to repress disorder and brigandage could in no way absolve the Moorish authorities from their responsibility in respect to public security and the protection of the lives and property of foreign subjects. The British Government considered that it was reasonable to request that British subjects should be warned of the danger that they would be exposed to by entering the District of Rahamna—at that time in open revolt against the Maghzen—but that even in this rebellious territory, in the event of misfortune befalling a British subject, the Maghzen would still be bound to do justice to the victims of any molestation. The British Government further reserved to itself the right to decide, in each case, as to the responsibility of the Maghzen, for whatever might befall a British subject traveling in Morocco. As to the requirements that foreign travelers in the interior should be accompanied by a soldier of the Maghzen, British subjects had always been instructed to comply with this regulation, but that the Maghzen's attention must be drawn to the fact that the charges for this military escort were often exorbitant.

The terms of this draft reply from the British Chargé d'Affaires were approved by the other members of the Diplomatic Corps with the exception of his attitude regarding the requirement of military escort. Upon this point the majority favored the point of view advanced by the Minister of Spain, which was to the effect that the Government of Spain reserved to itself the right to judge under what circumstances Spanish travelers in Morocco should be accompanied by a Maghzen soldier, but that in normal times, it could not admit that the Maghzen should not be responsible for the security of persons traveling without such escort. In other respects the Spanish Minister's reply was identical with that of the British Chargé d'Affaires.

In a third circular from the Dean, on the 14th of July, 1895, a draft reply from the French Minister was submitted to the Diplomatic Corps, which stated that the French Government could not adhere to the measures initially proposed by the Sultan's Foreign Minister. These measures resolved themselves into an absolute prohibition to foreigners to travel in Morocco. They were detrimental to commercial interests and contrary to treaties which stipulated that French subjects should without molestation travel and trade by land and sea in complete security throughout the Empire. The Maghzen could not disown its responsibility to safeguard the lives and property of foreign travelers, nor shirk its duty to maintain the security of the roads of the country.

The French Government appreciated the reasons advanced for the necessity of military escort, and accordingly instructed its con-

sular authorities to recommend such escort to French nationals but providing that travelers incurred no expenses thereby.

On the 2nd of October, 1903, the Dean circulated another letter from the Sultan's Foreign Minister drawing the attention of the Diplomatic Corps to the insecurity of the territory surrounding the town of Rabat and stating that the Governor of that part declined all responsibility for the safety of foreign subjects venturing away from the town. The Moorish Minister for Foreign Affairs therefore requested the ministers to issue instructions to their consuls and subjects prohibiting their excursions to the country surrounding Rabat.

The draft of the Dean's reply was unanimously adopted by the Diplomatic Corps. It was to the effect that while the representatives of the Powers took into consideration the unsettled state of the country, these conditions could not remove the responsibilities of the authorities nor relieve them of their duty to provide for the security of the country, but that on the contrary under these conditions their responsibility was actually accentuated. The Sultan's Foreign Minister was therefore requested to instruct the Governor of Rabat that he should take proper measures to restore order and security. The consuls would no doubt act with prudence and would properly counsel their respective nationals but that the responsibility of the Moorish officials could in no way be diminished by a state of affairs which demanded the full exercise of their authority.

Again in November of the same year, the Sultan's Foreign Minister requested the members of the Diplomatic Corps to notify their respective subjects of a Shereefian order that no Europeans, either employes of the Maghzen or others, should undertake a journey to Fez or to Marrakesh without securing special permission, and adding that the Moorish Government declined responsibility in respect to Europeans who should travel unprovided with special authorization.

In his reply, which was unanimously approved by the Diplomatic Corps, the Dean stated that his colleagues requested him to say that while they regretted that circumstances demanded the restriction of free circulation in the Empire, they hoped that these measures were entirely temporary and at the same time they could not discharge the Maghzen from its responsibility for the security of the lives and property of their nationals traveling in Morocco.

From the above it will be conspicuously noted that in every instance in which the insecurity of the country was signalised by the Moorish Government the Powers invariably laid special stress upon the fact of the responsibility of the Maghzen and made it quite unmistakable that no circumstances would warrant any diminution of its liability regarding the safety of foreign subjects.

In accordance with this consistent attitude, the British Chargé d'Affaires, in the second tournée of Dean's circular referred to in my opening paragraph, the object of the present despatch, stated in his annotation that he was willing to issue instructions to British consular authorities that they should warn their subjects not to venture into the regions where the Maghzen had no authority, but he was of opinion that Sid Guebbass should be reminded that the

treaties granted to foreigners the right to travel everywhere in Morocco and that the responsibility for the security of their lives and property devolved upon the Maghzen.

I put myself in harmony with the annotation of the British Chargé d'Affaires as several of my colleagues have done.

A rather interesting detail lies in the fact that the Moorish Minister's letter at present in circulation contains no explicit reference to the Maghzen's desire to repudiate its responsibilities, though no doubt this is the inference to be drawn from the mere fact that the dangerous regions have been specifically indicated as well as from the request that the representatives of the Powers should notify their subjects of the dangers attending them in these districts.

This attitude on the part of the Maghzen seems to receive subtle support from the French Chargé d'Affaires who states in his annotation on the Dean's circular that he agrees with Mr. White, but that it should be understood that the Maghzen, as in the past, remains free to indicate the regions where it will not answer for security.

Inasmuch as this question is still under discussion I respectfully solicit instructions from the Department as to what attitude I shall assume in the matter.

I have [etc.]

MAXWELL BLAKE.

File No. 881.111/1.

The American Chargé d'Affaires to the Secretary of State.

No. 370.] AMERICAN LEGATION,
Tangier, March 4, 1913.

SIR: In further reference to my No. 363 of February 18, 1913, I have the honor to transmit herewith a copy of the amended draft of the letter which the Chevalier de Rappard, Dean of the Diplomatic Corps, proposes to address to Sid Mohamed Ben Mohamed El Guebbass, the Sultan's Minister for Foreign Affairs at Tangier, in answer to his communication upon the subject of the insecurity for foreigners traveling in certain regions of the Shereefian Empire.

All my colleagues have expressed their approval of the draft herewith submitted, with the exception of the Chargé d'Affaires of Belgium, who stated that he was referring the matter to his Government for instructions, my own annotation being of a similar nature.

The Department will observe that in the reply proposed by the Dean of the Diplomatic Corps to the Sultan's Foreign Minister, a clause has been introduced reserving the right for the Diplomatic Corps to determine, in each particular instance, the extent to which the responsibility of the Maghzen is involved, and I respectfully request that the Department inform me whether it deems this clause a sufficient guaranty to prevent the Maghzen from escaping its responsibility in respect to the protection of the lives and property of foreign subjects traveling or sojourning in any part of the Shereefian Empire.

In view of the urgency attached to the matter by the Dean of the Diplomatic Corps, I would respectfully request that the Department communicate its reply by cable.

I have [etc.]

MAXWELL BLAKE.

[Inclosure—Translation.]

After usual compliments:

The Diplomatic Body has been informed with great interest of the contents of your letter of the 10th Moharrem 1331 (December 20, 1912) in which your excellency requested us to warn our subjects that certain parts of the Shereefian territory, specified in the above-mentioned letter, are disturbed.

Although the treaties grant to foreigners the right to travel everywhere in Morocco and although the Diplomatic Body reserves to itself the right to consider, in each particular case, up to what point the responsibility of the Maghzen should be deemed to be exonerated, it recognises the difficulties which the Shereefian Government may experience in answering for the security of foreigners who should venture into certain districts.

Appreciating the anxiety shown by the Maghzen to watch over the security of foreigners in certain regions named, the representatives of the Powers have drawn the attention of their nationals to the parts of the Empire which they will do better to avoid for the moment.

Referring to the passage of the letter of your excellency in which it is declared that the list drawn up by the Maghzen may be modified in proportion to the progress of pacification, the Diplomatic Corps observes that this list is conceived in very vague terms and draws the attention of your excellency to the advantage there would be to define, if it were possible, in a more precise manner the regions where the insecurity is real, notably as far as concerns the communications between the large towns.

File No. 881.111.

The Acting Secretary of State to the American Chargé d'Affaires.

No. 113.] DEPARTMENT OF STATE,
Washington, March 24, 1913.

SIR: The Department has received your despatch No. 363, of February 18, 1913, in which you state [etc.]

In reply you are informed that the attitude of this Government is to be one of firm insistence that American lives and property must be protected in conformity with treaty rights. The establishment of the French Protectorate would seem to imply that the responsibility for the protection of foreigners rests with France.

I am [etc.]

ALVEY A. ADEE.

File No. 881.111/1

The Acting Secretary of State to the American Chargé d'Affaires.

[Telegram.]

DEPARTMENT OF STATE,
Washington, March 26, 1913.

Your 370, March 4. Clause referred to would seem sufficient if changed to read as follows: "the Diplomatic Body reserves to its respective Governments". Always bearing in mind the insistence of this Government that its treaty rights shall continue to be recognized, you will so far as possible act in accord with your colleagues.

ADEE.

File No. 881.111/2

The American Chargé d'Affaires to the Secretary of State.

AMERICAN LEGATION,
No. 401.] *Tangier, June 30, 1913.*

SIR: I have the honor to inform the Department that according to its cabled instructions dated March 26, 1913, after personally assuring myself that the same would be acceptable to the majority of my colleagues, I officially communicated to the Dean of the Diplomatic Corps the modification suggested therein by the Department to the text of the letter which it was proposed to address to the Sultan's representative at Tangier, Sid Mohamed Ben Mohamed El Guebbass, in answer to his letter concerning the insecurity of foreigners traveling in certain parts of Morocco. The draft of this proposed reply was transmitted to the Department in my No. 370 of March 4, 1913.

The modification proposed by the Department was adopted by the representatives of the following Powers: Holland, Belgium, Italy, Great Britain, Portugal and Germany; and the amended passage in the second paragraph of the letter now reads:—

* * * the Diplomatic Body reserves to its respective Governments, etc.

instead of:—

* * * the Diplomatic Body reserves to itself, etc.

The letter thus amended was transmitted to the Sultan's representative here by the Dean of the Diplomatic Corps under date of April 30th last.

In view of the ambiguous nature of the annotation of the Representatives of France and Spain, the Powers principally interested, on the question of the amendment, their observations on the Décanat circular submitting my proposed modification being limited to a simple "Vu" (Seen), the Dean of the Diplomatic Corps invited the various Legations to send their respective interpreters to collaborate in the translation into Arabic of the amended answer to the Sultan's representative; and the compliance on the part of the French and Spanish Legations with this request together with the fact of the actual collaboration of their interpreters cannot but be construed as an acceptance on their part of the terms of the reply as it was amended in accordance with the proposal of the Department.

In view of the possible importance of this question, I have deemed it advisable to place these facts before the Department in order that they may become a matter of record.

I have [etc.]

MAXWELL BLAKE.

NETHERLANDS.

DEDICATION OF THE PALACE OF PEACE AT THE HAGUE.

File No. 500.A 1 B/64.

The American Minister to the Secretary of State.

No. 166.] AMERICAN LEGATION,
The Hague, September 3, 1913.

SIR: I have the honor to inform the Department that on the 28th ultimo the Palace of Peace at The Hague was dedicated. His Excellency Jhr. A. P. C. van Karnebeek, President of the Carnegie Foundation, in an appropriate address tendered the palace to the Administrative Council of the Court of Arbitration, which was formally accepted for the Nations in an address by His Excellency Jhr. R. de Marees van Swinderen, Minister for Foreign Affairs, ex officio President of the Administrative Council.

The ceremony, which was of a formal, dignified, impressive character, was attended by the Queen, the Queen Mother, the Prince of the Netherlands, with their full suites, the Diplomatic Corps, Mr. and Mrs. Carnegie, the Carnegie Foundation Committee, about 40 members of the Court of Arbitration, the Secretary General of the Court of Arbitration with all the other functionaries, the Cabinet Ministers, members of the States General and other high dignitaries, all with their ladies. In all there were about 400 persons assembled in the large hall of the Palace of Peace, when the Chairman of the Carnegie Foundation, at 3.30 p. m., delivered his address, setting forth the history of the peace movement and the constitution of the Carnegie Foundation for the purpose of erecting the Palace of Peace at The Hague.

These official proceedings lasted fully an hour, after which the Queen, escorted by Messrs. van Karnebeek and van Swinderen, and followed by the entire audience, made a general inspection of the building and the beautifully laid out gardens surrounding the palace.

Both on his approach and his return to the Legation, where he was a guest during his entire stay in The Hague, Mr. Carnegie was the recipient of a great popular demonstration.

I have [etc.] LLOYD BRYCE.

MISUSE OF THE AMERICAN FLAG, FOR ADVERTISING PURPOSES.

File No. 811.015256.

The American Consul at Amsterdam to the Secretary of State.

AMERICAN CONSULATE,
No. 103.] *Amsterdam, July 10, 1913.*

SIR: I have the honor to report that the American flag is constantly to be seen floating above the entrance of a so-called "Ameri-

can bar" on the Rokin and of a so-called "American lunch room" on the Kalverstraat, two of the most important thoroughfares in Amsterdam. Neither place is distinctively American, nor unlike other places of the same kind in Amsterdam which do not have the word "American" on their signs. The "American bar" admits upon inquiry that none of its proprietors or attendants are Americans, but the "American lunch room" evades answering a similar inquiry. The latter has a menu in English, but also in Dutch, French and German. Evidently the Stars and Stripes are displayed at these two places for the purpose of alluring Americans, of whom some 50,000 visit Amsterdam yearly and whose custom is particularly desired by traders of all kinds.

I respectfully submit this matter to the Department of State, for instructions, being unaware of any law or treaty through which this misuse of the American flag can be stopped. However, on page 135, Volume II, of Moore's International Law Digest, a case is cited which seems pertinent, wherein the United States Minister to Brazil, in 1864, after laying the matter before the Brazilian Government and receiving its sanction and approval, issued a circular to the United States consuls in that country prohibiting the flying of the United States flag without his permission, unless by persons in an official capacity. This action, the Digest adds, was approved by the Department of State.

I have [etc.]

FRANK W. MAHIN.

File No. 811.015256.

The Secretary of State to the American Minister.

DEPARTMENT OF STATE,
No. 62.] *Washington, August 9, 1913.*

SIR: I transmit herewith a copy of a despatch, No. 103 of July 10, 1913, from the Consul at Amsterdam, reporting in regard to the use of the American flag in that city for advertising purposes.

You will please bring this matter to the attention of the Foreign Office with the request that the Netherlands authorities take such steps as may be possible to prohibit the use of the American flag for advertising purposes in this manner.

I have [etc.]

For the Secretary of State:
J. B. MOORE.

File No. 811.015256/2.

The American Minister to the Secretary of State.

AMERICAN LEGATION,
No. 6.] *The Hague, November 1, 1913.*

SIR: Referring to the Department's instruction of August 9 last, No. 62, in regard to the use of the American flag in the city of Amsterdam, I have the honor to report that on receipt thereof the matter was brought to the attention of the Foreign Office and that I am

this day in receipt of a note from the Minister for Foreign Affairs, stating that there are no penal provisions in the Netherlands permitting of the prosecution in a court of justice of persons using the flag of a foreign nation for advertising purposes. Jhr. Loudon adds that nevertheless the Minister of Justice has brought the matter to the notice of the Municipality of Amsterdam and suggested that the authorization to fly a flag on the house front should be withdrawn, and that the proprietor of the "American Bar," at the advice of the police, has voluntarily stated that he will remove the flag and no longer use it.

I have [etc.]

HENRY VAN DYKE.

NICARAGUA.

MESSAGE OF THE PRESIDENT, ADOLFO DIAZ, TO THE CONGRESS.

File No. 817.032/8.

The American Minister to the Secretary of State.

[Extract.]

AMERICAN LEGATION,
No. 30.] *Managua, December 17, 1913.*

SIR: I have the honor to enclose herewith a copy and translation of the message delivered by the President on the occasion of the opening of Congress.

I have [etc.]

BENJAMIN L. JEFFERSON.

[Inclosure—Translation—Extract.]

I have been as careful of peace abroad as I have been of internal tranquility and have maintained the best of relations with our sister republics of Central America and with all the nations of the world.

The negotiations with the United States are still pending relative to the convention which conceded to it under conditions very advantageous for Nicaragua an option to construct a canal through our territory by making use of the facilities offered by our great lakes and the river San Juan del Norte. I deem it unnecessary to present to you its preeminent importance which is already realised by all parties peacefully inclined and whose beneficial consequences we perhaps can as yet but little appreciate. So deep rooted is our conviction in this respect that—unheeding unfounded alarms that this treaty has excited among certain foreign governments, who have given grounds not only for mere suspicion but have shown their hostile intentions—we have hastened our diplomatic negotiations in favor of the convention, which means inalterable peace among us, a prosperous and civilising development, the guaranty of our sovereign rights, loyally promised by a strong friendly nation.

Another of the most cruel obstacles found in the path taken in search of the good of the country, has been the precarious economic situation. At times when the Government has wished to begin its progressive advances it has met with the insuperable barrier of dire need and general poverty. To remedy this is decided to send the Minister of Finance, Don Pedro Rafael Cuadra, to the United States as financial agent, in order to endeavor to procure funds sufficient to pay the public debt. This has been a chief purpose of the administration, in which it has presevered with earnestness, because we understand that with this payment the prosperity of the business of Nicaraguans would be reestablished after the failure brought on by the State; and immediately deriving from this prosperity is the general prosperity and happiness of the country, which is the most beneficent assurance of peace.

Although I cannot yet announce a complete success in these labors of the Government, some good has been attained through the loan contract for one million of dollars celebrated with the bankers Brown Brothers and Co., and J. & W. Seligman & Co. The money acquired has been applied to completing the monetary conversion, to increasing the capital of the National Bank, to the payment of deferred salaries, and a sum of one hundred thousand dollars to the payment of the judgments of the Mixed Commission not exceeding one hundred dollars. The latter, although it establishes a sort of exception or

privilege, has been done in protection of the poor and laboring classes of the country who are the most needy.

Even though this small loan has produced some relief to the economic situation, and has redeemed our internal revenues, we do not think that the mission of our financial agent is as yet concluded. He continues to remain there to negotiate another larger loan which will place us in a position to pay our floating debt. To this end we requested authority of the National Assembly, during its recent extraordinary sessions, for the emission of bonds to liquidate this debt, either all or the part which may remain unpaid after paying the other part in cash.

The chief points in the success of these negotiations consist in the bank contract and the increase of the monetary conversion fund, by virtue of which an institution is strengthened which is necessary to the commerce of the country and assures definitively the prestige of the new money of Nicaragua.

By these same contracts, with the previous authority of the honorable Assembly, the sale was made for one million dollars of 51% of the shares of the Compañía Ferrocarril del Pacífico, the Government keeping in its possession the remaining 49%: and the same company was given a concession for the construction of a railway within five years from San Juan del Sur on the Pacific to San Jorge, a port on the Great Lake. The economic interest of the bankers, tied up in this enterprise, will redound to our advantage by virtue of the improvements in the railway; and as far as the railway from San Juan del Sur to San Jorge is concerned it is most opportune, because in addition to being the beginning of rapid communication with the southern Department which it will most directly benefit, it will be the natural terminus of the mixed interoceanic route in connection with the projected railway to the Atlantic.

PROPOSED INTEROCEANIC CANAL TREATY BETWEEN THE UNITED STATES AND NICARAGUA, AND PROTESTS OF SALVADOR AND COSTA RICA IN RELATION THERETO.

Introductory Note. On December 15, 1912, the American Minister notified the Department (File No. 817.812/5) that the Government of Nicaragua desired to negotiate a treaty with the United States giving to the latter a thirty-year option to acquire a strip of land for canal purposes under conditions similar in form to those of Panama, the consideration being: (1) payment by the United States of three million dollars gold at the time of the exchange of ratifications, and an additional sum to be agreed upon, together with an annual rent charge, at the time of the exercise of the option; (2) grant to the United States pending the negotiations of a discretionary right to let a subsidiary privilege of putting the existing waterway into navigable condition for light-draught vessels; and (3) grant to the United States of a naval station in the Gulf of Fonseca and one on Corn Island, if these should be desired. The advantages to Nicaragua besides the cash payment were the guaranty of the peace and independence of the Republic, the development of its great resources through capital attracted by the definite settlement of the question, the prospect of eventual construction of the canal, and elimination of a constant European incentive to revolution. The advantages to the United States were the preparation for further growth of its coastwise commerce, elimination of foreign political influence, the service of a caveat against any more canal concessions or territorial privileges such as had been attempted with European and Asiatic powers, an additional important defense of the Panama Canal, and an effective means for guaranteeing the Washington conventions.

This proposal resulted in the signing of a treaty between the United States and Nicaragua, February 8, 1913, which was submitted to the Senate on February 24, 1913.[1] It is this treaty to which reference is made in the following communications.

File No. 817.812/22.

The Minister of Costa Rica to the Secretary of State.

[Translation.]

LEGATION OF COSTA RICA,
Washington, April 17, 1913.

MR. SECRETARY: My Government has learned, although in an informal way, that during the latter part of February last there was submitted to the consideration of the Senate of the United States a contract made between the Governments of Nicaragua and Washington for the construction of an interoceanic canal through the former Republic.

This information has caused great surprise to my Government, as the transaction to which it refers could not have been carried out without flagrant violation of the clear treaties now in force which estop Nicaragua from entering into any interoceanic canal agreement without previously consulting Costa Rica in one instance and without its consent in another.

Article 8 of the boundary treaty entered into between Costa Rica and Nicaragua on April 15, 1858, reads as follows:

If the contracts for canalization or transit entered into by the Government of Nicaragua previous to its being informed of the conclusion of this treaty should happen to be invalidated for any reason whatever, Nicaragua binds herself not to enter into any other arrangement for the aforesaid purposes without first hearing the opinion of the Government of Costa Rica as to the disadvantages which the transaction might occasion the two countries; provided that the said opinoin is rendered within the period of 30 days after the receipt of the communication asking for it, if Nicaragua should have said that the decision was urgent and if the transaction does not injure the natural rights of Costa Rica, the opinion asked for shall be only advisory.

The arbitral award made by His Excellency Grover Cleveland, President of the United States of America, on March 22, 1888, declares, first, that the said boundary treaty of 1858 is valid, and, next, after duly construing the tenth point of the eleven of doubtful meaning which Nicaragua proposed in the controversy, decides as follows:

10. The Republic of Nicaragua remains bound not to make any grants for canal purposes across her territory without first asking the opinion of the Republic of Costa Rica, as provided in Article 8 of the Boundary Treaty of April 15, 1858. The natural rights of the Republic of Costa Rica alluded to in the said stipulation are the rights which, in view of the boundaries fixed by the said treaty, she possesses in the soil thereby recognized as belonging exclusively to her; the rights which she possesses in the harbors of San Juan del Norte and Salinas Bay, and the rights which she possesses in so much of the River San Juan as lies more than three English miles below Castillo Viejo, measuring from the exterior fortifications of the said castle as the same existed in the year 1858; and perhaps other rights not here particularly specified. These rights

[1] Not acted upon by the Senate during 1913; in the course of the year amendments were proposed by Nicaragua which led to negotiations for replacing it with a new one, a draft of which was received by the Department on October 31, 1913 (File No. 817.812/54).

are to be deemed injured in any case where the territory belonging to the Republic of Costa Rica is occupied or flooded; where there is an encroachment upon either of the said harbors injurious to Costa Rica; or where there is such an obstruction or deviation of the River San Juan as to destroy or seriously impair the navigation of the said river or any of its branches at any point where Costa Rica is entitled to navigate the same.

Upon a careful reading of the foregoing documents, your excellency will agree that the Republic of Nicaragua has not been empowered to conclude the convention referred to, submitted today to the consideration of the Senate; and that such incapacity, solemnly declared in 1888, as stated before, by the Chief Executive of the United States of America, fundamentally annuls said transaction.

But my Government not only has incontrovertible reasons de jure for opposing the treaty, but powerful, inflexible reasons de facto also compel it to intervene in the matter, because, as your excellency undoubtedly knows very well, it is impossible from every point of view to build an interoceanic canal in Nicaragua without affecting Costa Rican lands and waters to a greater or less extent.

In view of the foregoing reasons, and complying with the instructions of my Government, I very respectfully beg leave to make, in its name, to the enlightened Government at Washington, through your excellency, a formal protest against the perfecting of the convention for canal purposes to which I have referred, feeling assured that the high ideals of equity which invariably actuate the Government of the United States of America will cause it to adopt in this case a decision which will be in perfect accord with justice and with the traditional friendship with which the Government of Costa Rica has always been honored by the great American nation.

I have [etc.].

J. B. Calvo.

File No. 817.812/27.

The Minister of Nicaragua to the Secretary of State.

[Translation.]

Legation of Nicaragua,
Washington, June 5, 1913.

Excellency: I have the honor to inform your excellency that I have this day received a telegram from my Government in which it advises me that the answer to the protest made to it by the Government of Costa Rica against the canal convention concluded at Managua between your excellency's Government and mine on the eighth day of February, 1913, is ready.

I have no doubt that your excellency is already fully acquainted with the said protest.

My Government's reply tends to explain to the Government of Costa Rica that the said convention of February 8, 1913, is not a final canal treaty properly so called but only an option dealing with the rights the United States might exercise in the event of the construction of a canal through the territory of Nicaragua.

At the same time I have been instructed by my Government to obtain from your excellency the opinion you may have formed of the said protest from Costa Rica, so that the United States and

Nicaragua may, if possible, proceed in accord in the statements it might be necessary to make to the Government of Costa Rica, and also as to the proper time when to deliver the reply.

I therefore beg your excellency kindly to accede, if you see fit, to the wishes of my Government as above stated.

With assurances [etc.].

EMILIANO CHAMORRO.

File No. 817.712/27.

The Secretary of State to the Minister of Nicaragua.

DEPARTMENT OF STATE,
Washington, June 24, 1913.

SIR: I have the honor to acknowledge the receipt of your note of June 5, 1913, in which you inform me [etc.]

I have noted with satisfaction that the reply of your Government tends to explain to the Government of Costa Rica the fact that the said convention of February 8, 1913, is not a final canal treaty, properly so called, but an option dealing with the right the United States might exercise in the event of the construction of a canal through the territory of Nicaragua.

Adverting to that portion of your note under acknowledgment which invites my opinion on the protest of the Government of Costa Rica, I desire to confirm our conversation of the 17th instant in which I had the pleasure of informing you that it is the intention of my Government to take up this matter directly with the Government of Costa Rica with the view to a settlement of the questions at issue which may be satisfactory to all the Governments concerned.

Accept [etc.]

W. J. BRYAN.

File No. 711.13/15.

The Secretary of State to the American Minister to Guatemala.[1]

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, August 2, 1913.

Reports have been received from the Legations at San José and San Salvador of public demonstrations and inflammatory newspaper articles evidently based on a misconception of the scope of the proposed canal convention with Nicaragua—which is as much desired by that Government as by our own—and on an impression that this Government contemplates establishing a protectorate over Central America. If now or later you should find it advisable, you will say to President Estrada Cabrera that the Minister of Guatemala is fully informed of the provisions of the Nicaragua treaty and of the policy of this Government, which does not contemplate any change in its attitude toward Central American countries.

BRYAN.

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[1] The same, mutatis mutandis, to the American Minister to Honduras.

File No. 711.13/18.

The Secretary of State to the American Minister to Salvador.

No. 145.] DEPARTMENT OF STATE,
Washington, August 5, 1913.

SIR: The Department has received and read with interest your despatch No. 315 of July 12, 1913.[1]

You report a conversation with the Minister of Foreign Affairs of Salvador in the course of which he, at the instance of President Meléndez, requested you to inform the Department that while it was true that there exists among the masses throughout the Republic of Salvador a sentiment hostile to the acquisition by the Government of the United States of a naval base on the Bay of Fonseca, the Government of Salvador was watching the situation and would not permit such feelings of hostility to assume proportions which it would be unable to repress, and adding that President Meléndez wished you to assure the Department that the Government of Salvador is not only prepared but also willing to give to Americans residing in that Republic every protection for their property as well as for their lives in the event of a hostile demonstration against the interests which the American Government desired to acquire on the Bay of Fonseca.

Your telegram of July 29,[1] which was received prior to your No. 315, contains more reassuring information as to the situation, and the Department has not failed to note the assurances of President Meléndez reported in the telegram and the despatch under acknowledgment, that he will not permit the commission by the populace of untoward acts against American life and property. You will on an appropriate occasion, express to His Excellency this Government's gratification at these assurances.

I am [etc.]

For the Secretary of State:
J. B. MOORE.

File No. 711.13/34.

The American Minister to Costa Rica to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
San José, September 19, 1913.

I have just learned that the Government of Salvador has invited the Governments of Costa Rica, Guatemala and Honduras to send representatives to a meeting at Salvador to consider and perhaps protest against the prospective acquisition by the United States of the Fonseca and Dulce stations. The President of Costa Rica replied that he would not send a representative unless the Government of Nicaragua should be invited also. To this the Government of Salvador has not yet responded.

HALE.

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[1] Not printed.

File No. 711.13/34.

The Secretary of State to the American Minister to Costa Rica.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, September 20, 1913.

In regard to Salvador's invitation reported in your September 19, you may if opportune suggest to Costa Rica that its acceptance should be based upon the willingness of Nicaragua to attend such a conference rather than merely on the extending of an invitation to Nicaragua.

BRYAN.

File No. 711.13/34.

The Secretary of State to the American Minister to Salvador.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, September 26, 1913.

Say to the President of Salvador that this Government has heard with surprise and deep regret the insinuations against this Government contained in the invitation which Salvador is said to have extended to other republics to protest jointly against the action of the United States in connection with the canal convention which has been discussed with Nicaragua. You may assure the President of Salvador that this Government will be pained to learn that the Government of Salvador questions the good faith and friendliness of this Government, which has done nothing and contemplates nothing to justify the movement which it is reported Salvador is attempting to start.

BRYAN.

File No. 711.13/34.

The Secretary of State to the American Minister to Nicaragua.

[Telegram—Extract.]

DEPARTMENT OF STATE,
Washington, September 27, 1913.

The following telegram was sent September 26 to the American Legation at Salvador.

[Quotation of the telegram next above.]

BRYAN.

File No. 711.13/36.

The American Chargé d'Affaires at San Salvador to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
San Salvador, September 30, 1913.

I imparted the contents of your September 26 to the President of Salvador who told me that his Government had indeed invited Guate-

mala, Honduras and Costa Rica to a conference to discuss the proposed protectorate of Nicaragua by the United States and the latter's desire to acquire interests on Fonseca Bay, but he denied that any reference was made to the canal convention, and added that the matter was, in any case, now closed, since the invitation had not been well received by the Governments to which it was sent.

I have learned that the movement was aimed at assembling delegates at Managua to oppose the attitude of the Government of Nicaragua towards the Government of the United States in regard to the proposed protectorate, the cession of a naval base, and the canal and loan conventions. I have also learned that Nicaragua protested to Salvador as the initiator of the movement.

HINCKLEY.

File No. 711.13/37.

The Minister for Foreign Affairs of Nicaragua to the Nicaraguan Minister at Washington.

[Telegram, undated, handed to the Department of State October 10, 1913—Translation.]

MINISTRO CHAMORRO,
Washington, D. C.

Honduras and Guatemala on the 23d of this month [September] declined the invitation [to a Central American conference at San Salvador]. Salvador renewed its invitation, proposing the sending of delegates to this capital [Managua] to offer cooperation of the other republics of Central America in aid of Nicaragua in its serious political and financial problems by concluding an agreement by which the five Governments would collectively guarantee the territorial integrity of Central America. The President of Honduras believes Salvador's invitation is a pretext for creating a revolution in Nicaragua. President Díaz has begun to prepare for any emergency. This Ministry is preparing a note protesting against the interference of Salvador in Nicaraguan affairs in violation of the Washington Convention, and against the promotion of conferences for discussion of Nicaragua's international policy without Nicaragua's consent and even while deliberately excluding her.

Inform the Department of State.

MINISTER FOR FOREIGN AFFAIRS.

File No. 817.812/49.

The Minister of Salvador to the Secretary of State.

[Translation.]

LEGATION OF SALVADOR,
Washington, October 21, 1913.

EXCELLENCY: My Government has heard that the Government of Nicaragua has signed a treaty with the United States for the building of an interoceanic canal over the San Juan River and Lake Nicaragua and that the convention grants to the United States, among other concessions, that of a ninety-nine years lease,

renewable at the latter's pleasure, of a point within the Gulf of Fonseca and on the Nicaraguan Coast, for a naval station.

The geographical and juridical situation of the Gulf or Bay of Fonseca is such that the lease of any one of its parts must necessarily affect the other.

From the day when, at the beginning of the 16th century, the Spanish discoverers who occupied and conquered Central America came upon the considerable expanse of water that penetrates the land from Amapala Point in our territory to Cosiquina in Nicaragua, the bay or gulf which was then named "Fonseca," after the President of the Council of the Indies which from Spain ruled those countries in behalf of the Crown of Spain, has not ceased, even for a day, to belong to three riparian countries—Salvador, Honduras and Nicaragua—under whose sovereignty and jurisdiction the said Gulf of Fonseca was and remains.

During the three centuries of Spanish domination in that part of the continent, the three countries above named held the aforesaid bay without objection or opposition from any quarter, asserting their dominion through the defense offered on more than one occasion by the peoples of Salvador, Honduras and Nicaragua to the filibustering hordes which in those centuries preyed on the Central American coasts and worked their way up to the heart of the gulf in their intention to settle on Tigre Island.

These historical facts, and many others it seems needless to call to mind, suffice to demonstrate that the Gulf of Fonseca undoubtedly belongs in the class of bays styled "historic" by international law and on that ground alone subject to the exclusive dominion and sovereignty of the riparian States no matter how far they run inland or how wide at the mouth, even though it may exceed the six nautical miles recognized by international law for territorial bays, provided that, as is the case with the Gulf of Fonseca, the riparian countries shall have asserted their sovereignty under circumstances that depend on geographical configuration, use from time out of mind and, above all, self-defense.

The bay or gulf of Fonseca therefore possesses the historical character in the same manner and by the same right as the Chesapeake and Delaware bays in the United States and Conception, Chaleurs and Misamichi bays in British America, which have been recognized as such. The rights of the United States to the former and of Great Britain to the latter have been recognized and sanctioned by treaties and arbitral awards as an indisputable title of ownership and sovereignty.

These same rights held by the Spanish Government from time immemorial over the waters embraced *inter fauces terrae*, whether or not territorial, that form the Gulf of Fonseca, were transferred by virtue of its independence to the Federal Republic of Central America which comprised the said gulf within its maritime limits, as successor to all the rights of dominion and sovereignty which within its territory belonged to the Crown of Castile. And during the life of the Central American Federal Government the possession and dominion of the Gulf of Fonseca were asserted by many acts of legislation and national jurisdiction, laws being enacted in regard to harbors, police and many other matters.

When the bond of union between the five States that formed the Federation was sundered in 1839, the States of Salvador, Honduras and Nicaragua remained the joint lawful owners and sovereigns of the Gulf of Fonseca as they now hold it, for no convention or agreement has yet been arranged to bring to an end the condition of undivided and joint ownership that the three riparian States found as preëxisting when they erected themselves into free and independent nations, even if there were some occasions when attempts were made to do so, as was the case with the boundary treaty, which failed to be perfected, signed on April 10, 1884, between Salvador and Honduras, and provided in its Article 2, with a view to doing away with indivision, that: "the maritime boundary line between Salvador and Honduras starts from the Pacific, cuts in half the distance between Meanguera, Conchaguita, Martin Pérez Islands and Zacate Point of Salvador, and Tigre, Zacate Grande, Inglesa, and Exposition Islands of Honduras and ends at the mouth of the Goascorán." The treaty never went into effect having been rejected by the Congress of Honduras and the condition of indivision and community was left as it originally stood.

From the foregoing reasons and facts, the Government of the United States must have satisfied itself that my Government has a right to consider itself concerned in the contemplated lease of a part of the Gulf of Fonseca without the previous advice and consent of the other States which are joint owners and sovereigns, even if it be on the coast of Nicaragua.

In addition to these considerations, others arise, even more troublesome, to make Salvador and Honduras feel that they are wronged by the promised alienation of a part of the Gulf of Fonseca contained in the clauses of a hundred-year lease.

It is a principle of international law, based on universal equity, that a nation must refrain from acts which in their nature may endanger the existence or safety of the others. By virtue of that principle, nations are given the right to appropriate to themselves, even to the point of forbidding admittance, the gulfs and bays naturally defended by islands, sandbanks or reefs, or by the crossfire of cannons mounted on the headlands.

By the same rule it is agreed that bays whose mouths are not more than six nautical miles wide, for police and safety measures, and than ten miles, for fishery rights, are territorial bays forming part of the national territory, and the three miles of marginal sea are counted, seaward, from a straight imaginary line running from headland to headland.

Those principles must in reason apply to gulfs or bays that are the joint property of several States, regardless of the extent of their penetration inland and whatever their geographical configuration may be in respect to the marginal belt of territorial waters belonging to each riparian State.

The foregoing doctrines have been declared and accepted by Great Britain and the United States in the arbitral award made at The Hague, on September 7, 1910, on the fishery dispute.

"It has been contended by the United States," says the award, "that the reunuciation applies only to bays six miles or less in width, 'inter fauces terræ,' those bays only being territorial bays,

because the three-mile rule is, as shown by this treaty, a principle of international law applicable to coasts which must be strictly and systematically applied to bays. But the tribunal is unable to agree with this contention, because admittedly the geographical character of a bay contains conditions which concern the interests of the territorial sovereign to a more intimate and important extent than do those connected with the open coast. Thus conditions of national and territorial integrity, of defense, of commerce and of industry are all vitally concerned with the control of the bays penetrating the national coast line."[1]

The same award notes the treaty concluded in 1846 between Great Britain and the United States by which both ended the joint ownership and co-dominion of the waters of the Strait of Fuca, reciprocally and exclusively assigning to themselves the ownership thereof over an expanse as broad as seventeen miles from their respective shores.

The existence of various islands belonging to Salvador and Honduras within the gulf of Fonseca is another reason which lends force to the cited doctrines of law on which rest the rights of Salvador which my Government deems impaired by the concession it is proposed to give the United States for the establishment of a naval station, which would not only of necessity restrict the said rights but also jeopardize highly important interests of Salvador and Honduras.

It must be noted that the interests and rights ceded by Nicaragua to the United States are much less in value and valuation than those of Honduras and Salvador.

As a matter of fact Nicaragua has no port of entry within the gulf of Fonseca whose waters are common to the three States and the ports of Corinto and San Juan del Sur would not come within the zone of influence appertaining to the naval base it is proposed to establish within the gulf. That influence and the predominance flowing therefrom would strongly affect the exercise of the revenue and police rights of Honduras and Salvador which are of great importance to them and would be overridden by such measures of police and safety as the United States might order for the conservation and protection of its naval base.

And, in case of war between the United States and some other maritime power, the three countries that own the gulf would unavoidably become involved in grave danger and most serious difficulties to maintain and defend their neutrality; their territorial waters within the gulf being furthermore turned into a theater of belligerency and surrounded by all the calamities that go with armed conflicts.

These dangers and difficulties are enhanced when it is considered that Salvador and Honduras have, within the gulf, two large ports of entry, La Union and Amapala respectively, whereas Nicaragua has none in the bay. Through these ports, both States move a large part of their internal wealth and import staples of trade on a large scale; so that there would be no exaggeration in saying that Nicaragua, by its concession of a naval station, concludes with the United States a convention by which it touches, rather than its own patri-

[1] For. Rel. 1910, pp. 562–563.

mony, the vital interests of Salvador and Honduras. Salvador cannot and must not assent to this unauthorized alienation of its rights.

On the other hand, the Constitutions of the Central American Republics, especially those of Honduras, Salvador and Nicaragua, have consecrated the principle that the said Republics are segregated parts of the former Central American Federation and hence recognize it as their positive duty to contribute to the restoration of the Central American nationality.

This fundamental duty, which the United States must recognize and respect, incapacitates them, in a manner and measure, from impairing the integrity of Central American territory without the concurrence of the other and more especially at points and in parts where two or more States have common rights and joint interests.

Such an alienation would require, besides the collective consent, the plebiscitary authorization of the people whose territorial and jurisdictional rights would be curtailed by the contemplated alienation.

On the strength of these grounds and motives, my Government has given me special instructions respectfully to lodge with your excellency's Government a formal assertion of its rights and interests that would be affected or impaired if the concession were carried out in the Gulf of Fonseca for the establishment of a naval station at any point of the bay, even though it should lie solely within the small part of the coast held by Nicaragua on the said gulf.

On account of the community created by the condition of indivision in the jurisdictional and sovereign rights exercised over the Gulf of Fonseca by the three riparian States it became indispensable to mention the interests and rights of Salvador and Honduras in conjunction as contradistinguished from those of Nicaragua, in the course of this statement; but it is of course to be understood that this protest is exclusively confined to the interests and rights of Salvador in the aforesaid Bay of Fonseca.

Accept [etc.] .

FRANCISCO DUEÑAS.

File No. 817.812/55.

The American Minister to the Secretary of State.

AMERICAN LEGATION,
No. 32.] *Managua, December 18, 1913.*

SIR: I have the honor to enclose herewith a copy and translation of a note from the Government of Colombia to that of Nicaragua in which the former protests against Article II of the treaty recently entered into between the United States and Nicaragua whereby is provided a lease to the United States of Great Corn Island and Little Corn Island in the Caribbean Sea.

The Nicaraguan Minister for Foreign Affairs has promised me a copy of his reply as soon as it shall have been prepared.

I have [etc.]

BENJAMIN L. JEFFERSON.

[Inclosure—Translation.]

The Minister for Foreign Affairs of Colombia to the Minister for Foreign Affairs of Nicaragua.

FOREIGN OFFICE, REPUBLIC OF COLOMBIA,
Bogotá, August 9, 1913.

MR. MINISTER: The Government of Colombia has become acquainted with article 2 of the treaty concluded between Nicaragua and the United States of America. This treaty has been published in various organs of the press of North and South America.

By virtue of the article referred to Nicaragua gives in leasehold to the United States of America the islands in the Caribbean Sea known as Great Corn and Little Corn Islands, over which Colombia has the right of sovereignty by incontestable titles to which my Government has on more than one occasion called the attention of the illustrious Government of Nicaragua, as also has it protested against the usurpation consummated in the islands in question.

The terms of the aforesaid Article 2 of the treaty between Nicaragua and the United States oblige my Government again to enter formal protest against the ignoring of the right of sovereignty of Colombia, and to reiterate the exceptions taken in various notes addressed by my honorable predecessors in this Ministry to the Government of Nicaragua.

The Minister of Colombia at Washington has received instructions to protest formally in the premises to the Department of State of the United States of America.

I avail [etc.].

FRANCISCO JOSÉ URRUTIA.

File No. 817.812/135.

The Minister for Foreign Affairs of Nicaragua to the Minister for Foreign Affairs of Colombia.[1]

[Translation.]

FOREIGN OFFICE,
Managua, December 24, 1913.

MR. MINISTER: Your excellency's note of September 25 last, in which you enclose a certified copy of the note which your excellency says was addressed to this Department under date of August 9 last[2] through the Legation of Nicaragua at Washington, has been received here, with considerable delay. That and the further circumstance that up to the 22nd instant, as telegraphed by the Legation on that date, no note from the Department of Foreign Relations of Colombia had been received by the Minister of Nicaragua to the United States, will afford your excellency sufficient explanation to excuse the silence heretofore maintained by this Government and its delay in returning a precise and suitably prompt answer to the important questions touched upon by your excellency in the above-mentioned papers.

Your excellency says, in the note of August 9, that the Government of Colombia has become acquainted with Article 2 of the treaty concluded between Nicaragua and the United States of America whereby the former gives in leasehold to the latter the islands in the Caribbean Sea called Great Corn Island and Little Corn, over which your excellency asserts Colombia holds the right of sovereignty by unquestionable titles to which my Government's attention was more than once called by your Government, as it has protested against what your excellency terms usurpation consummated in the said islands.

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[1] Copy left at the Department of State by the Minister of Nicaragua.
[2] See inclosure to the foregoing dispatch from Managua.

Your excellency adds that the terms of that convention, which has been published by various periodicals in North and South America, again compel your Government to enter a formal protest against the disregard of Colombia's aforesaid right of sovereignty and to reiterate the reservations made in several notes addressed to my Government by several of your predecessors in your Department, and your excellency concludes with a statement that the Minister of Colombia at Washington has also received instructions to formulate appropriate reservations at the Department of State of the United States of America.

In reply your excellency will permit me to say that inasmuch as the question involves a treaty, not yet perfected, between the Governments of Nicaragua and the United States, to the mutual advantage of both countries, which is kept secret for international reasons that concern the signatory nations only, I cannot enter into considerations of any kind bearing on any of the clauses contained in the said treaty.

But since your excellency, in referring to unofficial press reports on the subject, has taken occasion, in the notes I have the honor to answer, to make declarations about the right of sovereignty of Colombia over the mentioned islands, Great Corn and Little Corn, by turning to the protests of your excellency's predecessors in your Department without adducing further arguments in support of that alleged right, I deem it my duty to adopt and reproduce in this answer those presented in their time to the Chancellery of Colombia by the Ministers of Foreign Relations of Nicaragua—Doctor Adán Cárdenas, in 1880, Doctor Benjamín Guerra in 1890, and Don José Dolores Gámez in 1896—wherein absolute denial is made of any right that Colombia claims or may claim to the Mosquito territory; denial is even made of any possibility to question, with any semblance of justice, the plain and unexceptionable rights of Nicaragua to that territory, and the suggestion of arbitration offered by your excellency's Government is roundly rejected, for the reason that Nicaragua's rights are clear and do not admit discussion and therefore there is no territorial question whatsoever pending between the two nations.

[Here follows a long analysis of the legal history of the case.]

Therefore the dominion of Nicaragua, incontestable in every light over the Atlantic Coast belonging to her between the Republics of Honduras and Costa Rica and over the islands comprised therein, and the non-interrupted possession for four centuries of the said territory and islands, leads me to return to your excellency's Government, Mr. Minister, a definite and concrete answer to the particular point touched on by your excellency in the note of August 9 last, to-wit: that if Nicaragua did or should lease the Great Corn and Little Corn islands, she did or would do so by virtue of the dominion or sovereignty she holds over them—a dominion and sovereignty that Colombia lacks over Nicaraguan territory, but necessary to an objection to the acts above mentioned.

And I must add here, on the same ground, that in respect to the archipelago of the San Andrés, Vieja Provincia and Santa Catalina islands, and all other islands and keys adjacent to the Mosquito Coast, Nicaragua most solemnly denies any right of sovereignty

Colombia may allege thereto, whether it be attempted to base it on a royal order that was never carried out and was considered as nonexistent from the time it was issued, or on some unlawful possession that bears all the marks of actual forcement; and consequently reserves to herself the right to vindicate at any time her dominion and sovereignty over the said archipelago.

I have [etc.]

DIEGO M. CHAMORRO.

FINANCIAL AFFAIRS[1]—CONCLUSION OF A LOAN CONTRACT WITH AMERICAN BANKERS; GOOD OFFICES OF THE UNITED STATES—RELATION OF LOAN FUNDS TO THE MIXED COMMISSION'S AWARDS.

NOTE.—On November 4, 1912, Nicaragua entered into an agreement with the New York banking firms of Brown Brothers and Company and J. & W. Seligman & Company whereby the bankers released to Nicaragua $100,000 out of customs moneys received by them as per previous contracts; and set aside $400,000 received by them at the settlement with the Ethelburga Syndicate, to be paid to Nicaragua in such installments as might be agreed on[2]. This agreement was subject to the approval of the Nicaraguan Assembly before it could go into effect; the Assembly's approval had not been given at the time of the beginning of the following correspondence. The correspondence after November 4, 1912 shows nothing but routine affairs up to the following telegram of January 31, 1913.

File No. 817.51/522a.

The Acting Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, January 31, 1913.

The Department is informed that the President of Nicaragua wishes to know whether or not the bankers are prepared to accept immediate liquidation, thereby releasing all guaranties except the option on 51% of the railroad, which will not expire before March. President has received, it seems, an offer of financial backing, source not stated.

As to the request for immediate liquidation, you will informally say to President Díaz that it is with great surprise that this Government learns of the proposition, since the financial condition of Nicaragua is quite clearly such as to make impossible the liquidation of its obligations—incurred after long consultation with the United States—merely by applying the revenues to them. This

[1] Continued from For. Rel. 1912, pp. 1071–1105. A résumé of Nicaragua's financial affairs from the signing of the convention of June 6, 1911, will be found, post, in the memorandum of May 22, 1913; a statement of Nicaragua's assets and liabilities, prepared July 15, 1913, follows; and the inclosure with the bankers' letter of November 24 shows the condition of the gold reserve at that time.

[2] For. Rel. 1912, p. 1105.

Government is therefore convinced that the proposed liquidation is possible only by assuming new obligations, which would probably be most onerous to Nicaragua.

In view of the interest, repeatedly evidenced, of this Government in the welfare of Nicaragua, and of the close relationship of the two countries—which would become even closer upon the conclusion of the proposed canal treaty—this Government could not favor any alteration in the present financial system of Nicaragua—a system that promises in a reasonable time to place the country in a stable financial condition hitherto unknown—unless this Government had examined and approved such alteration.

WILSON.

File No. 817.51/523.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Managua, February 2, 1913.

Your January 31. President Díaz appreciates the fair dealing of Brown Brothers and the benefits thus far derived from their methods although they may have seemed to him ultra-conservative at times; and he would like to continue dealing with them. But they will not advance another dollar nor entertain a new proposition until they are certain that the incoming administration at Washington will continue the present policy. This is deeply disappointing to President Díaz, who desires to reach a definite settlement of the financial question while the present Washington administration is still in office, as it thoroughly understands that question. Nevertheless President Díaz assures me he will not enter into a final loan contract without previous consultation with the Department.

Interests inimical to the United States have industriously circulated the rumor that after March 4 the restraining influence of the United States in Central America will be withdrawn. If so, the indications are that Salvador, by its intrigues against Guatemala and Honduras, will provoke a war into which Nicaragua may be unwillingly drawn. Therefore Nicaragua is compelled, as a precaution, to adopt strong defensive measures. But there are no funds for this purpose, and the conditions are such that, I am informed, President Díaz had personally advanced $100,000 gold to purchase military supplies and to meet interest on the tobacco and liquor loan. He desires to maintain peace particularly in order that the coffee crop may be gathered and shipped—a crop worth $5,000,000 gold.

The existing financial system tends to reduce extravagance and dishonesty to the minimum, as the Fiscal Agent passes on all disbursements and publishes monthly a full account of them. In a separate telegram the Legation will venture to suggest for the Department's consideration the outline of a plan based on this system.

WEITZEL.

File No. 817.51/523.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 4, 1913.

Your February 2. The bankers have telegraphed to their Nicaraguan representative, Mr. Bundy Cole,[1] with whom you will confer. You may inform the President of Nicaragua that, as far as this Department is aware, there is no foundation for the rumor that the incoming administration will change the present policy of the United States toward Central America. Brown Brothers inform the Department that unless the agreement of November 4, 1912—carrying the additional option on the remaining 49% of stock of the railroad and the National Bank—be approved by the Assembly, their exercise of the existing option on the remaining stock would result mainly in discharging Nicaragua's debt to the bankers and would not make any large amount immediately available to Nicaragua. Although not promising to exercise these options, the bankers give the Department to understand that they wish to continue in Nicaragua and are actively investigating the desirability of purchasing the railway.

KNOX.

File No. 817.51/524.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Managua, February 4, 1913.

My February 2. It is proposed that Brown Brothers immediately exercise their option by purchasing the entire railroad for $2,000,000 and also advance a loan of $2,500,000, for 10 years at 6%, guaranteed by the customs revenue; proceeds to be disbursed as at present (under supervision of the National Bank); the Bank to investigate all "gold debts," and the Mixed Commission to pass on all claims; debts and claims less than 3,000 pesos (Nicaragua currency) to be paid in cash, and larger items half cash and half in "income bonds" (6%, no fixed date of maturity); interest, and sinking-fund charges on Ethelburga settlement and on the new loan, would amount to about $70,000 per month—about half the customs receipts—leaving Nicaragua an equal sum for current expenses; internal revenue to be collected and applied as at present by the National Bank, which might also be made Collector General of Customs for the sake of economy and efficiency.

The most important advantage of this plan is that it would immediately establish the security and authority of the Mixed Commission and win the confidence of the people by payment of the thousands of small awards now ready for publication. The strengthening of the Foreign Claims Tribunal would relieve the

[1] Manager of the National Bank of Nicaragua.

Government of the undue pressure now being brought against it, especially by Germany, Great Britain and Italy, apparently working in concert.

President Díaz and his Financial Adviser approve the proposed new loan.

WEITZEL.

File No. 817.51/525.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Managua, February 9, 1913.

Your February 4. As far as current expenses are concerned, President Díaz approves the bankers' proposal but he thinks they do not appreciate the need for prompt relief from the most pressing obligations, nor the strength of the influence brought to bear on the Assembly to oppose any plan not making funds immediately available.

Another plan has been proposed to the bankers, as follows: immediate purchase of the entire railroad for $2,000,000; after partial liquidation of the debt to the bankers, the balance to go toward satisfying the most of the Government's creditors and perhaps toward partial payment of Mixed Commission awards (less than 2,000 pesos). This may prove more acceptable to the bankers than the plan set forth in my February 4.

Due to the present economical management, the net earnings of the railroad for January were more than $40,000 gold, breaking all records.

WEITZEL.

File No. 817.51/525.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 11, 1913.

Your February 4 and February 9. The bankers are giving earnest consideration to the latter plan.

KNOX.

File No. 817.51/530.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Managua, February 20, 1913.

An English syndicate has offered to arrange a large loan at once. American bankers do not appreciate urgency of the situation.

WEITZEL.

File No. 817.51/530.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 24, 1913.

Your February 20. The bankers say they have cabled a proposition to Mr. Bundy Cole and are very anxious for favorable action of the Assembly on option for remaining 49% of the railroad.

KNOX.

File No. 817.51/532.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Managua, February 26, 1913.

Your February 24. Brown Brothers have rejected all proposals. Government must now either revoke the whole plan of monetary conversion or make a new contract with other bankers. Situation serious. Railroad 51% option expires March 23: bankers want not only to extend option on entire railroad to October 15 but also to accumulate for the purchaser by that date earnings up to $500,000. Nicaragua willing to extend entire option to June 30 but not willing to concede earnings.

With all the Government's resources tied up in order to secure a loan which is now less than $400,000 the situation becomes more embarrassing daily. Any of the several suggestions of my recent telegrams would be acceptable to the Government and probably to the Assembly also.

WEITZEL.

File No. 817.51/532.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, February 28, 1913.

Your February 26. The bankers have submitted a proposal to Nicaragua but have not yet been answered. They are willing to make still further concessions.

It is hoped that Nicaragua will do nothing that would cause her to lose benefits already obtained, or will at least wait until the incoming administration shall have had full opportunity to make a thorough examination.

KNOX.

File No. 817.51/534.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Managua, March 2, 1913.

Your February 28. Assembly refuses to authorize sale of entire railroad. Only two possible courses now open: (1) bankers to exer-

cise option on 51% and reimburse themselves for existing indebtedness, thereby releasing all Government revenues; or (2) bankers to release all securities except railroad, the option on 51% of which to continue until discharge of the debt. President Diaz feels that the bankers are unreasonable in insisting on the same security now, when the debt is only $400,000, as when it was $2,500,000. The situation is critical.

WEITZEL.

File No. 817.51/534.

The Secretary of State to the American Minister.

[Telegrams—Paraphrases.]

DEPARTMENT OF STATE,
Washington, March 3, 1913.

Your March 2. The Department hopes some satisfactory solution will be found. The matter is being urgently presented to the bankers.

KNOX.

File No. 817.51/535.

DEPARTMENT OF STATE,
Washington, March 5, 1913.

Department's March 3. The bankers now say:

Weitzel fails to take into account our liability to provide $400,000 for the currency fund from time to time as required. The total is therefore $800,000. He also fails to recognize that our security has shrunk: (1) the Ethelburga-London fund, originally about $1,800,000, is no longer available because it has been collected and applied to various purposes; (2) the priority of the annual interest and sinking-fund charges on customs, about $375,000, in favor of 1909 bondholders, was formerly questioned by Nicaragua but is now admitted by Nicaragua and by us. Nevertheless, in view of the urgency, we today cabled the Nicaraguan Government as follows:

"In view of Nicaragua's urgent request and of the representations of the Government of the United States, we withdraw all offers made thus far and instead authorize the Government to draw on us immediately for $150,000 subject to Ethelburga rights and fixed charges. We also agree to place at the Government's disposal all customs receipts now on hand in Nicaragua and not yet remitted, and all customs to be collected up to June 30, 1913."

The above meets Weitzel's second suggestion, giving the Government sufficient funds for its needs until June 30 and leaving us free to consider new proposals.

BRYAN.

File No. 817.51/542.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Managua, April 30, 1913.

Bundy Cole, manager of the National Bank of Nicaragua, left for the United States April 22 to lay before the bankers the proposals for the new loan which the Government is anxious to negotiate.

WEITZEL.

File No. 817.51/542½.

Memorandum of the Latin-American Division of the Department of State for the information of the Secretary.

MEMORANDUM.

MAY 22, 1913.

NICARAGUAN FINANCES AND THE MIXED CLAIMS COMMISSION.

The loan convention between the United States and Nicaragua was signed June 6, 1911,[1] under which Nicaragua agreed:

to enter into a contract for the refunding of its internal and external debt;

the adjustment and settlement of claims;

the placing of its finances upon a sound basis;

currency reform;

and the future development of the resources of the country.

Various stipulations regarding supervision were included:

the loan was to be secured by the Customs of Nicaragua, the customs to be collected by a person chosen by Nicaragua from a list of names approved by the President of the United States;

Nicaragua agreed to protect the Collector in the exercise of his functions;

and the Government of the United States agreed, should the circumstances require, to exercise such protection as it might find requisite.

This convention was approved by the Nicaraguan Assembly, but it has not yet been reported out by the Committee on Foreign Relations of the U. S. Senate.

In the hope that this convention would become effective Nicaragua entered into a contract with Messers. Brown Brothers and J. and W. Seligman for a loan of $15,000,000, this contract being dependent upon the ratification of the convention.

Nicaragua also arranged with the United States for the formation of a tribunal[2] for the settlement of all liquidated and unliquidated claims arising from the beginning of the régime of President Zelaya until the commission closes its work. Nicaragua appointed one of the three commissioners, a Nicaraguan. The other two, Judge Otto Schoenrich, of Porto Rico, as umpire, and Judge Arthur Thompson, of Washington, D. C., were recommended by the Secretary of State and appointed by the Government of Nicaragua. The Claims Commission began its sessions March 26, 1912. During the time that the commission has been functioning, of the six thousand claims laid before it, three thousand have been acted upon and awards made. There has been no dissenting opinion in any case. Three thousand claims remain and among them are some of the most important and largest. The three thousand claims already dealt with aggregate over $600,000 gold. The awards amounted to about $250,000 gold.

Owing to the fact that the loan convention has not been ratified by the U. S. Senate, however, Nicaragua has had no money with which to pay the awards of this commission. The salaries of the commissioners, however, have been paid and provision has been

[1] The text of this convention is printed in For. Rel. 1912, pp. 1074–1075.

[2] Indifferently referred to as "tribunal" or "mixed commission" or "claims commission."

made for them until June 30th of this year through an arrangement entered into between the Nicaraguan Government and the American bankers.

While for the large loan the bankers were unwilling to act without the convention, they made a small loan to Nicaragua of $1,500,000 for the establishment of the National Bank of Nicaragua; the reform of the currency; and the establishment of the Claims Commission. They have from time to time also made further advances. They have also entered into an arrangement with the holders of part of the bonded debt of Nicaragua, known as the Ethelburga loan. Under this small loan Colonel Clifford D. Hamm, an American, was appointed Collector of the Customs. Under his administration the customs receipts have been showing a marked and steady increase, except for a period of two or three months during the revolution of last summer. The bank has been established at Managua, with one or two branches, and, the Department has been informed, has been doing very good work, making loans to needy borrowers at a reasonable rate of interest, whereas before they were the victims of usurers. The currency has been reformed and Nicaragua is now on the gold basis; although at one time not far back exchange was at the rate of 22.50, the conversion was made amid perfect order at the rate of 12.50.

Under their private arrangement with Nicaragua the bankers have also been operating the railroad, and they have an option to buy 51% of the stock of the railroad, paying to the Government of Nicaragua $1,000,000 therefor. It is understood that the railroad has shown satisfactory earning power since it came under American management, and that there is a possibility that the bankers may exercise their option which would give Nicaragua very much needed cash. Nicaragua, however, has so little ready money at present that the Government feels it imperative to have a new loan, and if the loan convention cannot be ratified, or if the Department of State will not promise a certain measure of protection and support to the American bankers, it seems probable that their arrangement with Nicaragua will come to an end on the first of July. Much of the good that has already been accomplished will be lost and Nicaragua will probably look to Europe for a new loan.

If, however, it should prove impossible to have the loan convention ratified and if the Department should not be willing to assume towards this matter a clearly defined attitude similar to the one adopted by the last administration, it might be possible to have the Senate pass the canal convention recently negotiated with Nicaragua and approved by the Nicaraguan Assembly, by which the United States would pay Nicaragua $3,000,000 for the option to construct an interoceanic canal by the Nicaraguan route, for the lease of the Corn islands on the Atlantic side, and for the right to establish a coaling station in Fonseca Bay, the most strategic point on the Pacific coast of Central America. If Nicaragua could obtain this $3,000,000 it could undertake important public works and might perhaps be freed of the necessity of making a new loan for any large amount.

To return to the Mixed Claims Commission, it would seem wiser from the point of view of expediency and in the interest of peaceful conditions in Central America, especially in Nicaragua, to have the

commission continue and to enable Nicaragua to come to some sort of understanding with the bankers whereby she could get the funds she needs. If the funds can be obtained Nicaragua can at once settle the claims which have been adjudicated and thus reestablish her credit, and by giving tangible evidence of her intention to settle all claims, bring the British, French and Germans, and nationals of other countries who have claims against Nicaragua, into a better frame of mind. This would relieve both Nicaragua and this Government of the pressure which is being brought to bear by the chancelleries of the various countries to have claims of their nationals settled.

For some time past the Department has been taking the position vis-à-vis European Governments that it would be better for them to submit their claims to the American-Nicaraguan Claims Commission than to subject themselves to the probably unsatisfactory handling of their claims by an all-Nicaraguan commission. This is an acquiescence in the paramount influence and importance of the United States Government in Central America which, in the present state of affairs, the European Governments seem unwilling to give. At present their desire seems to be that the claims of their nationals shall be passed upon by mixed commissions composed of Nicaraguans and people of their own nationalities; that is, French claims to be passed upon by a commission composed of Frenchmen and Nicaraguans, British claims by British and Nicaraguans, etc.

As is indicated above, the European nations could probably be induced to forsake their pretentions with regard to a special claims commission if Nicaragua could get money from the bankers and go ahead with the payment of claims which have already been adjudicated by the American-Nicaraguan commission.

What Nicaragua needs and wants is peace. It seems doubtful whether she can secure it without some support and cooperation on the part of the United States. She can certainly not secure it unless she can obtain the funds necessary to pay the awards of the Claims Commission, to refund all of her old foreign and internal debts, to pay the salaries of Government employees which are now in arrears, and to undertake much needed work in developing the resources of the country.

Perhaps the most marked instance of the so-called dollar diplomacy of the past administration was to secure these results to Nicaragua by means of the loan convention. The time has now arrived for the present administration to define its attitude towards that loan convention and towards the Nicaraguan questions in general.

I have tried to point out the alternative means by which Nicaragua might secure funds should the attitude of administration, when defined, be adverse to the loan convention.

PIERREPONT.

File No. 817.51/544.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Managua, May 27, 1913.

The President of Nicaragua writes me as follows:

I earnestly request you to transmit the following to Washington because our present situation is rapidly becoming critical as after June 30 the temporary

arrangement with the bankers will cease and we shall no longer receive the proceeds of the customs collections:

"According to the reports of my representatives at Washington it appears that the bankers' hesitancy is due to the disinclination of the Department to define its attitude."

The pressure by German and British syndicates is making the position of the President almost untenable, he tells me.

JONES.

File No. 817.51/549.

The Legation of Nicaragua to the Department of State.

[Memorandum handed to the Secretary of State by the Nicaraguan Minister on July 24, 1913—Not a translation.]

LEGATION OF NICARAGUA,
Washington, July 15, 1913.

NICARAGUAN STATISTICS.

1. The indebtedness of the Government of Nicaragua consists of the following:

A. $6,200,000, a bonded loan issued by the Ethelburga Syndicate of England and secured by a first lien on the customs receipts to the extent of $31,500 monthly. Interest at 5%. This loan exists until paid off by these monthly payments with the option to the Government to pay off the entire amount at 92 if paid in 1913 or at rates gradually approaching par if paid within the next seven years. This bonded debt is a legacy of the Zelaya Government. It was contracted in 1909 at 75, bearing 6% interest. A part was used to fund earlier debts, a part was brought to Nicaragua and practically wasted, and about $1,800,000 was retained by the Ethelburga Syndicate in its coffers until it would be used for railroad construction. Though the syndicate thus retained this sum, it nevertheless collected 6% interest thereon. The loan was guaranteed by all the customs receipts, the liquor and tobacco taxes, the Government railroad and steamers, and any other property which the Government might have. The hope of American assistance in obtaining a new loan enabled the present Government of Nicaragua to make a very favorable compromise with the bondholders, according to which the interest rate was reduced to 5%, the Government was given the option of redeeming the bonds at much less than par if redemption took place at an early date and the large sum held by the Ethelburga Syndicate was turned over and used to pay New York bankers amounts advanced for establishment of stable currency. If there is no American assistance and no new loan can be made, the interest will again become 6% and the Republic will be obliged to pay par on these bonds.

B. $750,000 to Brown Bros. & Co. and J. & W. Seligman & Co. of New York being secured by the balance of the customs receipts and bearing interest at 6% per annum due October 15, 1913. This is the balance remaining of sums aggregating $2,655,000 which have gradually been advanced by the bankers since January, 1912, at par. The remaining portion of the debt has been paid off from the customs receipts and out of the Ethelburga money above referred to. The

greater part of the money so advanced by the New York bankers has been used for the establishment of a small National Bank (the only real bank in Nicaragua) the retirement of the discredited paper money and the establishment of a stable currency with sufficient reserve.

C. $1,500,000 to miscellaneous creditors of the Government for salaries unpaid, supplies furnished, advances made, etc. This is the debt which is causing the most trouble and is most urgent. Upon finding that assistance would soon be obtained under the convention signed with the United States the Nicaraguan Government made the contracts above referred to with New York bankers for the establishment of a sound currency, and a great part of the Government's income has been used for the payment of the New York bankers, the local creditors being neglected. Payment has been deferred for too long a time, however, the smaller creditors are becoming restless and the larger ones are on the verge of bankruptcy. Unless the Government can obtain adequate funds within a very short time there will be many failures throughout the country. Even now business is stagnant and a crisis is plainly imminent.

D. Approximately $3,000,000 in claims against the Government growing out of revolutions and bad government. The nominal amount of the claims will probably exceed ten million but it is believed they can be scaled down to three millions or perhaps less. Many of these claims are for property taken by Government forces during the recent wars. The failure to pay them has caused suffering among the poor countrymen whose entire movable property was sometimes taken. It is very urgent that as many as possible of these claims be paid.

2. The total annual receipts of the Government are approximately as follows:

Customs receipts	$1,500,000
National Railroad of Nicaragua 150 miles long and in good condition	400,000
Excise tax on liquors and tobacco	1,255,000
Internal Revenue	400,000
Total	3,555,000

The Annual Budget expenditures of the country are approximately three millions dollars. This sum is distributed among the five departments of the Government approximately as follows:

Interior Department and Police	$800,000
War	700,000
Foreign Affairs and Public Instruction	400,000
Treasury (including cost of alcohol and tobacco, which are Government monopolies)	800,000
Public Works, including postal, telegraph and telephone service	300,000
Total	3,000,000

These sums do not include extraordinary expenditures of the Government in the case of war or disturbance of the public peace. Unfortunately such extraordinary expenditures have in the past sapped the life blood of the Republic.

Whenever the public peace is threatened it is necessary for the Government to increase the army and equip it well; payments in other than the War Department must be suspended and thus the interior debt grows. Unless the unruly spirits are curbed by the

fear of foreign intervention no government in Nicaragua can avoid incurring enormous ordinary and extraordinary expenses for war purposes.

3. The size of Nicaragua is about 49,000 miles, a little larger than Louisiana or Cuba and about fourteen times as large as Porto Rico. Owing to its many wars and misgovernments, Nicaragua has been unable to develop its enormous natural resources, and its commerce is now only a little over $8,000,000 per annum as compared with over $236,000,000 for Cuba, and over $92,000,000 for Porto Rico. The population is approximately 600,000.

File No. 817.51/551.

Brown Brothers and Company and J. and W. Seligman and Company to the Secretary of State.

NEW YORK, *July 24, 1913.*

SIR: We have the honor to enclose herewith for your information, copy of a decree which was issued by the President of Nicaragua on June 22nd,[1] 1913, and which was put in the form of a contract which bears date of June 30th, 1913.

We beg [etc.]

BROWN BROTHERS & CO.
J. & W. SELIGMAN & CO.

[Inclosure—Translation.]

Executive Decree issued by the President of Nicaragua on June 23, 1913.

Whereas, the contract of November 4, 1912, between the Government and Brown Brothers & Company and J. & W. Seligman & Company modified two prior contracts between the same parties dated respectively March 26th and May 25th, 1912, with the result that the bankers were relieved of the obligation to provide one hundred thousand dollars for the purpose of the Monetary Law of March 20, 1912, said sum being a part of certain five hundred thousand dollars mentioned in said contracts; and

Whereas, notwithstanding the provisions of said contract of November 4, 1912, the Executive considers it advisable that said sum of one hundred thousand dollars shall remain available for the purposes indicated, and desires that the bankers shall not avail themselves of the provisions referred to, but that on the contrary they shall provide said sum as an integral part of said five hundred thousand dollars upon the same conditions that would have governed if the contracts of May 25th and November 4th, 1912, had not been entered into;

Whereas, the bankers have offered to waive said provisions of said November 4, 1912, contract and to provide said one hundred thousand dollars for the purposes of said Monetary Law as originally agreed;

Whereas, the bankers have offered to waive their right to apply the Customs collections up to October 15, 1913, to the payment of the principal and interest of the Treasury Bills still outstanding and to the repayment of the amounts advanced and to be advanced by them under the supplementary contract of March 26, 1912, for the purposes of said Monetary Law;

Whereas, said offers by the bankers are upon the following conditions, namely:

First, that the one hundred thousand dollars above mentioned to be provided by the bankers shall be applicable exclusively to the purposes of said Monetary Law.

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[1] Should be 23d.

Second, that the Customs duties to be collected between June 30th and October 15th, 1913, after the payment of the costs of collection, shall be applied as follows:

A. To the payment during each month to the bankers of the amounts which, under the provisions of the May 25, 1912, contract between the Republic and the Corporation of Foreign Bondholders, are payable for account of interest, sinking fund and service of the 1909 loan.

B. To the payment during each month to the United States Mortgage and Trust Company of one-quarter of the balance of said Customs collections, said amounts to be treated as additions to the exchange fund established by the Monetary Law.

C. To the payment during each month of a sum not exceeding three thousand dollars to the Mixed Claims Commission for salaries and expenses of said commission.

D. After the foregoing payments shall have been made, any balance during each month shall be deposited with the National Bank of Nicaragua, Incorporated, to the credit and for the benefit of the Republic.

Third, that any failure on the part of the Republic to comply with any of said conditions shall operate to terminate the proposed arrangement.

Fourth, that such waivers shall in no manner affect the rights of the bankers under the Treasury Bills and Supplementary Agreements.

Now therefore the Executive decrees to accept the offers made by the bankers as above set forth and hereby authorizes and empowers Señor Pedro Rafael Cuadra, Minister of Finance of Nicaragua, to execute and deliver on behalf of the Republic such contract as may be required to give effect to the arrangement referred to.

File No. 817.51/571a.

The Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, August 17, 1913.

Send lists, approximately up to date, as follows:

Nicaragua's internal gold debt, with names of creditors, amounts, rates of interest, and character of each debt.

Debts to foreign correspondents or commission merchants, with the same data.

Unpaid salaries to September 1, by departments or individuals.

Amounts the Government has received monthly from customs, railway, liquor, tobacco, and other revenues; cover the last three months in three separate monthly lists.

Expenditures or contracted obligations for the same three months as above.

Send these lists by mail as soon as possible. Say to the President that they should be as accurate as possible in order to assist the Department in its sincere endeavor to aid in relieving Nicaragua financially.

BRYAN.

File No. 817.51/571b.

The Secretary of State to Brown Brothers and Company.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, August 20, 1913.

Kindly telegraph the amount now owed you by Nicaragua, and send by mail the terms and conditions on which you would increase your

loan for about one year to between $2,000,000 and $2,500,000; also state whether you would consider your security on the latter amount ample without option on the railroad.

W. J. BRYAN.

File No. 817.51/571.

The Minister of the Treasury of Nicaragua on an official visit to Washington, to the Secretary of State.

[Translation.]

WASHINGTON, *August 30, 1913.*

MR. SECRETARY: In order that you may have a clear idea of the economic situation of Nicaragua, which has caused the need of a loan, of which we have already spoken on various occasions, I take liberty of laying before you certain antecedents and data, which justify our urgent request.

An unfortunate administration, which we would like to blot out from our history, left the country oppressed with an enormous internal and external debt, mostly created without any administrative vigilance, the country's resources and productive sources of wealth having been exhausted. The present administration of our country, seeking the natural remedy for this situation, thought of a foreign loan and an appeal to American capital, because the Government of the United States had offered, in the form of a treaty, to aid in its attainment.

When the Castrillo-Knox Convention was concluded,[1] Messrs. Brown Brothers and Company, and J. and W. Seligman and Company, bankers of New York, promised to give us up to fifteen million dollars, if the Senate of the United States ratified that convention. In the meanwhile they advanced, under various contracts which we successively concluded, about three million dollars. But as they gave it to us on very short terms, and demanded from us in return all our revenues as a guaranty, this loan has, in a way, made our situation more unfortunate and precarious; because, to pay off such a sum in such a short time (we now owe only $700,000), we have not been able to pay debts that should have been paid; our administrative service is in a bad condition; and we have a great number of employees who are with unpaid salary; so that if we do not hasten to meet this need, public tranquility may be placed in danger.

To justify this statement I must state to your excellency that the large loan of fifteen millions forced us to create new offices, maintaining an office for the collection of the customs receipts, which increased the expenses of such collection by an enormous sum in American gold. This extraordinary expense, which could only be borne if the loan of fifteen millions had been obtained, has nevertheless weighed heavily on our scanty present revenue since the day when the negotiations were initialed with the bankers of New York. The increase of customs receipts should not be attributed to the management of the General Collector of Customs, whom I value and give his due; but rather to the increased commerce which is growing up in our country under the shadow of a good Government, in view of a stable peace and in the hope of a large loan.

[1] June 6, 1911; see For. Rel. 1912, p. 1074.

We were obliged to found a National Bank for the loan contracts, with a capital up to five millions, which was to begin with about a hundred thousand dollars pending negotiation of the large loan. Nicaragua spent a large sum in founding it; and, although it seems hardly believable, in this bank of only a hundred thousand dollars there is spent annually in salaries more than forty thousand dollars, thus rendering its use and advantages nugatory. The Bank has been administered and managed by the bankers since it was founded.

Counting on the loan of fifteen millions, we agreed to change our monetary circulating medium. For this purpose we retired an enormous amount of national paper money from circulation; and, as we have not been able to replace it with a similar metallic one, a commercial crisis has arisen such as the history of our country has never seen. We fear the ruin of all the business of the principal cities.

In this abnormal situation, it can almost be said that we have rebuilt a railroad with our own resources; that is to say, however, that we have intensified the crisis by retiring from circulation the capital employed in these improvements, and we have done this at a very unpropitious time.

I state this because it is also a result of the contracts with the bankers, contracts in whose terms may be observed the different intention which the Nicaraguan Government had in concluding them, since they gave the bankers the right to buy fifty-one per cent of the railroad's bonds, at a fair price, obliging them to lend to the [railroad] company while exercising this option five hundred thousand dollars to make the aforesaid improvements.

Counting on the loan, we created, in agreement with the American Government, a Claims Commission, composed of two Americans and a Nicaraguan, in order that claims pending against the Government of Nicaragua should be heard and settled therein. This Commission has been a great expense to us without any benefit to the country, since as it cannot pay its awards the lack of money makes its establishment a mockery.

It will not escape your excellency's observation that a short-time loan, or, to state it more clearly, one whose cancellation and interest bear directly on the revenues of the country, will not remedy our situation. All nations have their times of crisis; all owe money; all have recourse to loans; but all arrange their debts to be paid over such a long period of years that their gradual cancellation does not disturb the public administration or the development of the country.

That is what we want: a loan of suitable and sufficient size for a long term, so that we should have to pay each year only the interest and so much per cent amortization, to an amount within the limits of our budget. In short, Mr. Secretary, what Nicaragua needs is money on a long term.

As regards the character of the bankers, we have preferences for none. We prefer the one who will give us the necessary money on the conditions mentioned above. Our desire is that the natural and legitimate profit of the bankers be rendered consistent with the best terms for the country. Another thing that should be understood is that the bankers with whom we negotiate should not go outside of their purely financial sphere; because the present Government of Nicaragua well understands what the real interests of the country are,

and what are its obligations in the free exercise of its administrative function.

As regards the data of our debt, I refer you to the report which we personally put into your hands,[1] and to another which is in the possession of the Chief of the Latin American Division of the State Department, and which is the same as the undersigned Minister of the Treasury furnished the American Minister in Managua, in reply to his request. From these figures your excellency will see that—aside from the six millions more or less which the Republic owes the Ethelburga Syndicate, a loan which has not matured and which is arranged at 5% interest—a loan of four million dollars would fill our urgent necessities, placing our country on a solid economic basis.

Your cordial interest in my country, for which we Nicaraguans can never be grateful enough, has allowed this matter to be in your hands; and we appeal to your excellency to find some way whereby the different bankers who have made proposals, may in the shortest possible time arrange them in conformity with the outline stated above, which harmonizes with the interests of our country.

I have the honor to append to this note some suggestions for remedies for the evils mentioned.

I am [etc.]

PEDRO RAF. CUADRA.

[Inclosure.]

Summary of the above letter and some suggestions for remedies for the evils mentioned therein.

FINANCIAL AGENT.—If a Financial Agent must be appointed it should with the sole and exclusive object of obtaining in the shortest possible time a loan of four million pesos gold, which will be acceptable to us at 92%, 30 years' term, 5 or 6% annual interest and 1 or 2% of amortization.

CONDITIONS OF APPOINTMENT OF FINANCIAL AGENT.—As the needs of Nicaragua are peremptory and the guaranties that we can offer are all in the power of Brown Bros. and Seligman, the Financial Agent should agree to advance, to be repaid from the loan which he himself will procure, a million dollars, with which Brown and Seligman will be paid, the rest to be placed at the disposal of the Government for its urgent needs.

GUARANTIES.—We offer to place the Customhouses under a system of collection guaranteeing to the money-lender or money-lenders that the receipts will be chiefly devoted to the service of the debt which is created. The present very costly system of collection will be abandoned. The Collector now receives $10,000, and others $10,000, including the Sub-Collector and the Auditor of Customs. We suggest that the collection be done through the National Bank, Inc., which will be paid a just and equitable commission; and no obstacles be placed in the way of the Government in Customs legislation, nor in its administration.

NATIONAL BANK.—The National Bank needs more capital. It is believed that it would be well for the Financial Agent to have the right to subscribe to 51% of the shares of the Bank, and thus the capital could be increased to $500,000.

RAILROAD.—If the present bankers do not exercise the option to which they have the right, it is our desire that that Company always remain under its present organization, that is to say, that American law protect it, as it is a company incorporated in one of the States of that Republic. Only the Board of Directors of the Company would be changed, and other reforms of minor importance enacted.

MIXED CLAIMS COMMISSION.—As the Mixed Claims Commission was created on the initiative of the Government of the United States, the Government of

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[1] See ante, July 15 memorandum.

Nicaragua will take no steps of any kind regarding that Tribunal without the advice of that Republic; and we will likewise submit everything relating to this question to their judgment and decision.

File No. 817.51/565.

The Minister of Nicaragua and the Minister of the Treasury of Nicaragua to the Secretary of State.

[Not a translation.]

LEGATION OF NICARAGUA,
Washington, Sept. 1, 1913.

EXCELLENCY: Having in a general way pointed out the pressing immediate needs of our country, we wish to add that there is but one bank in the Republic of Nicaragua, that it has an insignificant capital, so little that it can not extend loans to even a small percentage of those worthy of credit. The current rates of interest are from 18% to 24% for loans in general, even for those with which to move the crops. We need a bank with more capital, and an experienced man who understands dealing with our people at its head.

Very shortly the former "billetes" of our country cease to be legal tender. We need money now to supply in their stead the new standard "córdoba," which is the equivalent of your American dollar.

The Mixed Claims Commission, created at your country's suggestion, sorely needs money to begin to pay off the awards it has made. Already there is evidenced a tendency to endeavor to effect settlements direct with Nicaragua because the creditors have so far seen no practical evidence of finality in matters the Commission has taken up.

The original suggestions of Mr. Jarvis, a man who has in dealing with Latin America succeeded largely in Cuba, that he could arrange a loan for us of from two million to two million and a half dollars in gold, and could put up a million of it himself, on terms better than those of the present bankers, met with our approval and immediately Mr. Jarvis delivers this amount to the Department of State in Washington, or to whomsoever it shall designate, approximately 711,000 of which shall be used for liquidating our obligation and thus cancelling our contract with the present bankers, and the balance placed at the disposition of Nicaragua, we, having the authority of the President of Nicaragua to do so, will definitely appoint Samuel Miller Jarvis as Finance Commissioner, the appointment to be according to the terms of the agreement copy of which is attached to this letter, and have the appointment confirmed by our Congress now in session at home.

This offer is made in the belief that Mr. Jarvis can raise money in any reasonable quantity in the near future and that instead of two and a half millions the loan might be for as much as four millions, and at long instead of short time, with precisely the same guaranties as the present bankers have except the option on the Railroad stock.

After great reflection it occurs to us that any plan which did not comprehend liquidating with the present bankers prior to definitive naming of a Finance Commissioner might give rise to differences the effect of which might reflect little credit on the foresight of our

country, or possibly even give rise to question as to our fair intention towards those who have had business with our Republic.

We have [etc.]

EMILIANO CHAMORRO.
PEDRO RAF. CUADRA.

[Inclosure—Not a translation.]

Memorandum of Agreement between the Republic of Nicaragua and Samuel M. Jarvis, which becomes effective on compliance with terms of letter dated September 1, 1913.

1. The Republic of Nicaragua shall through its Congress create the office of Finance Commissioner, who shall attend to the international financial affairs of the Republic; and he shall cooperate with the Minister of Finance in Nicaragua under the advice of the Secretary of State at Washington. It shall be the duty of the Finance Commissioner, and he shall be required, at all times to furnish to the Minister of Finance of Nicaragua and to the Secretary of State at Washington any information which either may request as to the financial affairs of the Republic; and he shall make to the Minister of Finance of Nicaragua quarterly reports of such affairs. He shall in no case be interested in any concessions from the Government, except that mentioned in Clause 7, referring to Banco Nacional de Nicaragua.

2. The office of Finance Commissioner shall be filled by the appointment by the President of Nicaragua of Samuel Miller Jarvis of New York. And he shall continue to hold this office during the existence of the present loan and of all loans negotiated by him for Nicaragua, if approved and accepted by the latter. His appointment shall be officially certified to the Department of State at Washington.

3. Said Jarvis shall do everything in his power to arrange for meeting the present financial needs of Nicaragua and shall have authority to secure funds for the conversion of currency, the refunding of all loans in a proper and economical manner on the best terms obtainable by him, all contracts to be subject to the approval of the Department of State at Washington, D. C., and ratification by the Nicaraguan Government, and for the placing of the finances of Nicaragua on a sound basis. All expenditures of the loans to Nicaragua shall be made through the National Bank of Nicaragua; and the books of the bank shall at all times be open to the inspection of the Minister of Finance of Nicaragua and of the Secretary of State at Washington.

4. Said Jarvis shall have at all times the active cooperation of the Government of Nicaragua. He may also have the right to refer for advice to the Department of State at Washington, independent of the Minister of Finance of Nicaragua.

5. Said Samuel Miller Jarvis shall be empowered at once by Nicaragua to investigate and report upon the financial and economic condition of Nicaraguan financial affairs. And to authorize and to have executed and carried out such action, legal or otherwise, as shall be necessary to properly protect and conserve the interest and welfare of Nicaragua; and to recover whatever may be properly due her on any account or from any source. And for this purpose he shall have the right to investigate records and accounts, demand accountings, employ auditors and legal and other services wherever necessary to carry out the purposes of this article.

6. Said Samuel Miller Jarvis shall have proper compensation for the services performed in pursuance of the duties devolving upon him under this instrument. And shall have reimbursement for all his proper expenses incident to said work. Said expenses to be determined and allowed from time to time as the same are incurred. The compensation for services in connection with loans shall be one per cent upon amount negotiated and approved by the Department of State at Washington and accepted by Nicaragua. All compensation for services in all other matters to be agreed upon between the Government of Nicaragua and said Samuel Miller Jarvis, and approved by the Department of State at Washington, D. C.

7. Samuel M. Jarvis shall have the right to purchase a controlling interest in the shares of the National Bank of Nicaragua within a reasonable time to be determined by the Secretary of State at a price to be agreed upon by the

Minister of Finance of Nicaragua and said Jarvis, and in case they should be unable to agree, to be fixed by a person to be designated by the Secretary of State of the United States.

It is understood that the purpose of this transfer of the shares of the bank is to assure its development as an institution whose importance, strength and solidity shall comport with the dignity of the Republic.

September 1, 1913.

File No. 817.51/567.

Brown Brothers & Co. and J. and W. Seligman & Co. to the Secretary of State.

NEW YORK, *September 4, 1919.*

SIR: Yesterday we held a conference with Mr. Douglas (of the firm of Douglas, Baker, Ruffin & Obear, counsel for Nicaragua) with reference to the proposed new loan to the Republic of Nicaragua.

Our memorandum of August 9th[1] has now been modified by our letter to you of August 26th[1] and our telegram to you of August 28th[1] and our conference with Mr. Douglas on September 3rd. We have accordingly, had a memorandum prepared which embodies in one document all of these various suggestions and now enclose herewith a copy thereof for your attention.

We have [etc.]

BROWN BROTHERS & CO.
J. & W. SELIGMAN & CO.

[Inclosure.]

Proposition in regard to Nicaraguan financing as contained in memorandum handed to Sr. Cuadra August 9, 1913, and sent to the Secretary of State August 13, 1913; amended by letter to the Secretary of State August 26, 1913, telegram to the Secretary of State of August 28, 1913, and at the interview with Mr. Douglas on September 3, 1913.

AMOUNT OF LOAN.—To be $2,000,000, to be represented by Treasury Bills; or, if option on 51% railroad is now exercised, $1,000,000.

INTEREST.—Interest to be at 6% per annum, payable either monthly or through discounting bills at time of issue. In latter event amount of loan may be increased by an amount equal to the interest.

TERM OF LOAN.—Loan to be for one year, with option to Republic to liquidate same after three months at premium of 1%.

SECURITY.—The security to be as follows:

(*a*) All shares of the railroad; or, if option of 51 per cent is exercised, then remaining 49 per cent of railroad stock.

(*b*) All shares of National Bank of Nicaragua, Incorporated, including those to be issued upon increase of capital out of proceeds of loan as stated below.

(*c*) Customs duties, subject to requirements of 1909 bonds. Until the maturity of the new loan, however, such customs duties in excess of requirements of 1909 loan, expenses, etc., are to be paid over to the Government, subject, however, to the provision made below for additions to the Conversion Fund. Administration of customs to continue as at present, subject to any changes in form which will not affect in any way the complete control of the Collector General.

APPLICATION OF LOAN.—The $2,000,000 proceeds of loan, or proceeds of exercise of option and of loan, to be applied as follows:

Liquidation of pending accounts of Bankers, expenses, etc	$711,000
Conversion fund	250,000
Additional bank capital $200,000, or (at option of Government)	250,000

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[1] Not printed.

The balance, after paying expenses in connection with negotiations, etc., to go to the Government by deposit thereof in the National Bank; to be disbursed by means of checks on the Bank in the manner observed at present according to the decree of October 31, 1912.

RAILROAD OPTIONS.—(*a*) Option on 51 per cent of railroad stock either to continue for one year, and further, if loan is not paid at maturity, until repayment of loan; or, if Government prefers, option to be exercised at once.

(*b*) Preferential right to purchase remaining 49 per cent of railroad stock to continue as in Supplemental Loan Agreement.

(*c*) If 49 per cent of railroad stock is at any time sold for more than $1,000,000, the difference between $1,000,000 and the purchase price to be divided equally between the Government and the Bankers or in such other proportion as the Secretary of State may determine.

(*d*) Bankers not to be under obligation to loan $500,000 to railroad against mortgage bonds for improvements.

(*e*) If 51% option is not exercised at once but is continued as above stated, monthly dividends not exceeding ½ per cent to be paid to Government on railroad capital if such amount is earned after all expenses of operation, administration, repairs, etc.; balance of earnings to remain in corporate treasury or applied to improvements.

CONVERSION FUND.—Provision to be made that, in the event of Conversion Fund being reduced to $100,000, 25 per cent of the customs duties will be applied monthly to this fund until it is again brought up to $200,000; this operation to be repeated as often as Conversion Fund is reduced to $100,000. Conversion Fund to be administered by the Bank and deposited in a special account in New York apart from the general funds of the Bank.

MEMORANDUM OF SUBJECTS PENDING AND NECESSARY TO ARRANGE: Controversy over wharf; oil tank; ship "Nicarao"; right of way of Momotombo.

File No. 817.51/571d.

The Acting Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, September 13, 1913.

The Department desires you to ask the President whether he favors the sale of the 51% of the railroad merely because the bankers have an option in their present contract and whether he would consider the option price of $1,000,000 sufficient if no option existed.

The Department has under consideration with the bankers, Minister Chamorro and the Nicaraguan Minister of Finance an immediate loan of $2,000,000, of which $1,000,000 involves the said option. The Department is inclined to believe the railroad worth more than the option price.

OSBORNE.

File No. 817.51/573.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Managua, Sept. 16, 1913.

Department's September 13. President Díaz says the option is worth more than $1,000,000, but in view of the dangerous economic conditions and the failure to secure funds elsewhere, he wishes the bankers to exercise their option on the 51% of the railroad.

The earning capacity of the road amounts approximately to 10% on $3,000,000. On this basis I believe it worth fully $3,000,000.

Acting Manager Bennett says the value of the road is slightly greater than at the time of granting the option, owing to small additions to rolling-stock and improvements, and that the annual earnings have increased.

Kindly inform me whether the contract contemplates extension of the road and whether provision for expending the $1,000,000 by the Nicaraguan Government will be made.

(Not signed) [JEFFERSON.]

File No. 817.51/573a.

The Secretary of State to Brown Brothers & Company and Seligman & Co.

[Telegram.]

DEPARTMENT OF STATE,
Washington, Sept. 17, 1919.

Before signature would like to see copy of contract agreed upon between Nicaraguan Government and yourselves. We do not see any necessity for including the forty-nine per cent of the stock of railway to secure the loan of one million dollars, especially if revenues of this portion of road are pledged.

W. J. BRYAN.

File No. 817.51/582.

Brown Brothers & Company and J. and W. Seligman & Company to the Secretary of State.

NEW YORK, *September 19, 1919.*

DEAR SIR: Upon receipt of your telegram of the 17th instant we took the matter up with Señor Cuadra, the Financial Agent of Nicaragua, and with Mr. Douglas, legal adviser of the Nicaraguan Government.

While we regret that it has not been possible for us to eliminate from the proposed contract the security of the 49% of stock of the railroad, we are glad to inform you that an understanding has been arrived at which meets the views of Señor Cuadra and of Mr. Douglas, and which we trust will meet your approval. Mr. Douglas informs us that he will discuss the matter with you in detail, and that it will be unnecessary for us to write you further at this time.

We note your request that the proposed contract shall not be signed until after submission to you. We are anxious to do nothing in this matter which does not meet with your full approval, and we shall therefore gladly comply with your request.

We have [etc.]

BROWN BROTHERS & CO.
J. AND W. SELIGMAN & CO.

File No. 817.51/577.

Brown Brothers & Company and J. and W. Seligman & Company to the Secretary of State.

NEW YORK, *October 2, 1919.*

DEAR SIR: Complying with the request contained in your telegram of September 17th, we hand you herewith drafts of the following proposed contracts with the Republic of Nicaragua:

1. Collateral Trust Agreement between Nicaragua and the United States Mortgage and Trust Company, for the purpose of securing an issue of $1,060,000 Treasury Bills.

2. Agreement between Nicaragua and ourselves for the purchase by us of the Treasury Bills above mentioned.

3. Agreement between Nicaragua and ourselves regarding the purchase by us of 51% of the capital stock of the Ferrocarril del Pacífico de Nicaragua, the increase of the capital stock of the National Bank of Nicaragua, and the acquisition by us of 51% of the capital stock of said Bank.

4. Agreement between Nicaragua and the National Bank of Nicaragua, Incorporated, relating principally to the increase of the Currency Exchange Fund and the maintenance of the present currency system.

5. Agreement between Nicaragua and the Ferrocarril del Pacífico de Nicaragua.

Wishing to comply in all respects with your request, we have not committed ourselves with Nicaragua to the acceptance of the above contracts, but have notified Señor Cuadra, Financial Agent of the Republic, that our action with reference to said contracts must depend upon whether or not they receive your approval.

Awaiting your reply [etc.]

BROWN BROTHERS & CO.
J. AND W. SELIGMAN & CO.

File No. 817.51/599b.

The Secretary of State to the Minister of Finance of Nicaragua.

DEPARTMENT OF STATE,
Washington, October 6, 1919.

DEAR MR. CUADRA: After carefully reviewing the matter of the $400,000 which is to be set aside for the Nicaraguan Mixed Claims Commission, it seems that a clause might be added to the loan contract to read as follows:

> The Nicaraguan Government having so desired, it is agreed that the bankers shall pay $400,000 from the amount of the loan to the persons entitled thereto under the awards of the Nicaraguan Mixed Claims Commission.

This Department would be glad if you could have this clause so incorporated.

I am [etc.]

W. J. BRYAN.

File No. 817.51/599a.

The Secretary of State to Brown Bros. & Co. and Seligman & Co.

DEPARTMENT OF STATE,
Washington, October 6, 1913.

GENTLEMEN: Please find enclosed carbon copy of a letter[1] addressed to Pedro Rafael Cuadra, Minister of Finance of Nicaragua.

I understood in my telephonic conversation with Mr. Thatcher Brown that there would be no objection to incorporating this clause in the proper contract.

I am [etc.]

W. J. BRYAN.

File No. 817.51/599c.

DEPARTMENT OF STATE,
Washington, October 6, 1913.

GENTLEMEN: Confirming the telephone conversation of even date between Mr. Thatcher Brown and me, I am pleased to note the disposition of the bankers who are about to make the loan to Nicaragua to leave for future consideration the contract between the Republic of Nicaragua and the Pacific Railway of Nicaragua, which provides for a concession between San Jorge on Lake Nicaragua and San Juan del Sur on the Pacific coast.

This Department has been informed that Nicaragua gave a similar concession a few years ago, and has telegraphed the Legation at Managua for a copy thereof.

I am [etc.]

W. J. BRYAN.

File No. 817.51/599d.

DEPARTMENT OF STATE,
Washington, October 6, 1913.

GENTLEMEN: Referring to the contract between the Government of Nicaragua on the one part and Messrs. Brown Bros. and J. and W. Seligman on the other part relating to the purchase of 51 per cent of the railway stock and 51 per cent of the bank stock, I beg leave to say that the Government of Nicaragua has expressed a desire that the bankers shall purchase the specified percentages in pursuance of an option given to them by the Government of Nicaragua under a contract made in 1911, such contract being approved by the Department of State at that time. As the purchase is to be completed under a contract made in 1911, upon the terms and conditions of which it is not within my province now to take any action, I merely state the facts without expressing any opinion upon the merits of the transaction.

I am [etc.]

W. J. BRYAN.

File No. 817.51/599e.

DEPARTMENT OF STATE,
Washington, October 6, 1913.

GENTLEMEN: The loan contracts (embraced in the two contracts called the Collateral Trust Agreement and the Contract for the

[1] See next above.

purchase of the Treasury Bills) which Nicaragua has completed with the Trust Company and the bankers having been submitted to the Department of State for examination and approval, I beg to say that the terms of the loan are approved by the Department, with the following reservations:

The Department would have preferred to have had the loan made without including the 49% of the railroad stock among the securities given, but in view of the fact that the Nicaraguan Government is willing to include this stock as security, and in view of the further fact that twelve months' time is allowed for the redemption of the said stock after the maturity of the loan, the Department will not interpose an objection to this particular feature of the loan.

In approving this loan the Department desires it distinctly understood by the Nicaraguan Government, by Brown Brothers and by the Trust Company that this approval does not commit the Department to any further action, but is merely advisory. Because of its friendly interest in Nicaragua, because it desires to encourage all legitimate American investments in foreign countries, and because Nicaragua is dealing with American citizens, it has, at the request of all the parties interested, expressed this approval, with the understanding that the Department will be free to act according to its judgment and with the light that it then has upon any request that may be made thereafter in connection with the carrying out of the terms of these contracts.

This Department does not wish the provision about the inspector of customs to remain in the contract.

I am [etc.] W. J. BRYAN.

File No. 817.51/578.

The Minister for Foreign Affairs of Nicaragua to the Secretary of State.

[Telegram—Translation.]

MANAGUA; *undated; received October 7, 1913.*

The President wishes to express through me to your excellency his heartfelt thanks for your beneficient and efficient cooperation in the adjustment of the new loan contracts that have won his approval and that of the Assembly of Nicaragua.

DIEGO M. CHAMORRO.

File No. 817.51/578.

The Acting Secretary of State to the Minister for Foreign Affairs.

[Telegram.]

DEPARTMENT OF STATE,
Washington, October 8, 1913.

I have the honor, in behalf of the Secretary of State, who is at the moment absent from Washington, to request you to assure His

Excellency the President of Nicaragua of our appreciation of the sentiments conveyed in your telegram received October 7, the contents of which will be brought to the knowledge of the Secretary.

J. B. MOORE.

File No. 817.51/585.

Brown Brothers & Co. and Seligman & Co. to the Secretary of State.

NEW YORK, *October 8, 1913.*

SIR: Replying to yours of the 6th instant[1] enclosing carbon copy of a letter addressed by you to Señor Pedro Rafael Cuadra, Minister of Finance of Nicaragua, we beg to say that at the signing today of the contracts between the Republic and ourselves, Mr. Cuadra was unwilling to have the suggested provision incorporated.

We have, however, a letter from Mr. Cuadra, of which we enclose a copy herewith, in which he states that he will have a conference with you on this subject in a few days and that meanwhile the amount to be deposited with us for account of Nicaragua will not be drawn against by Nicaragua below $400,000 pending adjustment of this matter with you. May we ask you to advise us of any adjustment which may be so made?

Very respectfully yours,

BROWN BROTHERS & CO.
J. & W. SELIGMAN & CO.

[Inclosure.]

The Minister of Finance of Nicaragua to Brown Brothers & Co. and J. & W. Seligman & Co.

NEW YORK, *October 8, 1913.*

GENTLEMEN: I am in receipt of a letter from the Secretary of State under date of the 6th instant in which he suggests that a provision be inserted into the General Loan Contract which will provide for the setting apart of $400,000 of the loan for the account of the "Mixed Claims Commission," and in this connection I take note of the fact that you have a communication from the Secretary of the same date, in which he sends you copy of his letter to me. I regret that I cannot consent to the incorporation of such provision in the contract. When this suggestion was made at an early stage of these negotiations I then objected to it on a number of grounds then stated, all of which I repeated to Mr. Bryan, and then an understanding was arrived at between us to the effect that while such provision should be omitted from the contract, the subject matter of the Mixed Claims Commission would be arranged on a basis as to amount and method of payment that would be satisfactory to the Secretary of State at Washington, and I propose in perfect good faith to do this, and to that end I will have a conference with Mr. Bryan in a few days, and meanwhile let me say that the amount to be deposited with you for the account of Nicaragua will not be drawn against by Nicaragua or by me on behalf of Nicaragua below $400,000 pending adjustment of this matter with the Department of State. When the matter is adjusted you will of course be informed of it.

I remain [etc.]

PEDRO RAF. CUADRA.

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[1] The first of the four letters of that date.

File No. 817.51/585a.

The Acting Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE
Washington, October 10, 1913.

After conference with General Chamorro I wrote, with his assent, as follows to Finance Minister Cuadra in New York on October 6:

[Quotes the letter; see ante.]

The Nicaraguan Mixed Claims Commission originated with the Dawson Pact [1] as referred to in the Martínez note of November 5, 1910,[2] and was organized under a decree of the Congress of Nicaragua. It is necessary that decisions of the Commission be respected. Three thousand awards have been made, totaling about $350,000. These should be paid from the present loan in the same order as awarded, without respect to the political affiliations of the claimants. These payments, reaching every part of the Republic, should produce a favorable effect on public sentiment.

Read this telegram to the President and urge upon him the importance of acting upon it favorably.

MOORE.

File No. 817.51/587.

The Minister of Finance of Nicaragua to the Secretary of State.

NEW YORK, *October 10, 1913.*

SIR: I am pleased to acknowledge receipt of your esteemed favor of the 6th instant.

Desiring to meet your wishes as expressed in your letter, I communicated with President Díaz asking his authority to so comply, as my former instructions were final and against the separation of any sum for any other object than the payment of the debts of the Administration. I regret to inform you that I have received a complete denial to my appeal in the cable which is given below:

> It is impossible to separate the $400,000 for Mixed Commission. The urgent needs of the Administration would remain unsatisfied. It would mean nothing in payment of claims of mixed Commission. Moreover, the Congress does not grant right to include this condition in the contracts and therefore it should not be included in them.

To this I think it well to add that according to my own knowledge of the situation in Nicaragua acquired in the discharge of the duties of the office of Minister of Finance, to which I owe the honorable mission to this country conferred upon me by my Government, President Díaz has much reason for his denial. If this amount of $400,000 were separated, the economic situation of the Government would be in a worse predicament, as it would leave unprovided for the urgent needs of the Administration and sacred debts, to give preference to claims that, although just, are not of this important character. Also,

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[1] For. Rel. 1911, pp. 652–653.
[2] Id., 625–627.

the force of the Administration would be broken if this were done, and in consequence thereof the public peace would be endangered.

With my highest consideration [etc.]

PEDRO RAF. CUADRA.

File No. 817.51/587a.

The Acting Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, October 11, 1913.

See Department's October 10. The Department is advised that the contract with the bankers was signed October 8, so that the Nicaraguan Government had no opportunity to cause insertion of the clause recommended by the Department.

It is, however, gratifying to the Department to learn from the bankers that by agreement with Señor Cuadra $400,000 has been set apart and will not be drawn against by Nicaragua pending arrangement with the Department of the Claims Commission matter.

Communicate the substance of this telegram to the Government of Nicaragua.

MOORE.

File No. 817.51/588.

The American Minister to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Managua, October 13, 1913.

Department's October 10 and October 11. President Díaz emphatically declares it impossible to accede to Department's suggestion relating to the $400,000, asserting that such legitimate expenses as unpaid salaries of Government employees and rental of Government buildings practically equal the disposable funds of the loan, and that neither Chamorro nor Cuadra was authorized to agree to set aside the $400,000.

However, President Díaz will agree to the following: If back salaries and current expenses shall not have exhausted all disposable funds, he will be [omission] to consider with the Department an appropriate expenditure of the balance; but he refuses to bind himself in the sense indicated in the Department's telegrams referred to. He promises that, in any event, he will inform the Department before drawing against the $400,000.

JEFFERSON.

File No. 817.51/594.

Curtis, Mallet-Prevost & Colt to the Secretary of State.

NEW YORK, *October 18, 1913.*

SIR: Referring to the letter of the 2d instant addressed to you by Messrs. Brown Brothers & Company and J. & W. Seligman & Com-

pany and enclosing drafts of certain proposed agreements; and referring to your letters of the 6th instant in reply to the above, we now, by direction and on behalf of the Republic of Nicaragua and in accordance with the provisions of the agreements hereinafter mentioned, beg to hand you herewith for filing with the Department of State an original counterpart of each of the following agreements,[1] all dated October 8, 1913:

1. Collateral Trust Agreement between the Republic of Nicaragua and the United States Mortgage & Trust Company;

2. Agreement for the purchase of Treasury Bills, between the Republic of Nicaragua, party of the first part, and Messrs. Brown Brothers & Company and J. & W. Seligman & Company, parties of the second part;

3. Agreement for purchase of Railroad and Bank stock, between the Republic of Nicaragua, party of the first part, and Messrs. Brown Brothers & Company and J. & W. Seligman & Company, parties of the second part;

4. Agreement between the Republic of Nicaragua and National Bank of Nicaragua, Incorporated; and

5. Agreement between the Republic of Nicaragua and Ferrocarril del Pacífico de Nicaragua.

The above agreements, having been deposited with us in escrow at the time of their execution, have today been delivered.

Respectfully yours,

CURTIS, MALLET-PREVOST & COLT.

File No. 817.51/605.

Statement of the features of the loan contracts of October 8, 1913, prepared by the bankers and given to the press October 20 with the assent of the Secretary of State.

Brown Brothers & Co. and J. & W. Seligman & Co. have purchased from the Republic of Nicaragua 51% of the stock of the Pacific Railways of Nicaragua (incorporated under the laws of Maine) and of the stock of the National Bank of Nicaragua (incorporated under the laws of Connecticut). This purchase was made under a contract executed in 1911 and at that time approved by the U. S. Government. The remaining 49% continues to be owned by the Government of Nicaragua. The bankers have also discounted at par $1,060,000 one-year Treasury bills of the Republic of Nicaragua dated October 1, 1913, and maturing October 1, 1914, drawing six per cent.

The Treasury bills are secured by lien on the customs, subject only, first, to the existing lien amounting to about $375,000 per annum in favor of the English bonds of 1909, and second, to the lien on the fourth of the customs in favor of the currency fund referred to below. Customs revenues for the year ending August 31, 1913, amounted to approximately $1,683,000 (U. S. gold). The Customs administration is conducted by an American Collector General recommended by us.

The Pacific Railways of Nicaragua is the only railroad in the Republic and extends for 163 miles from the port of Corinto on the Pacific Coast to Managua, the capital, and Granada on Lake Nica-

[1] Not printed.

rauga, with branches. The capital stock outstanding is $3,300,000. For more than a year the railroad has been operated by the J. G. White Management Corporation, who will continue in charge. Two members of the Board of Directors are to be nominated by the Minister of Finance of Nicaragua, and the Secretary of State of the United States has the privilege of appointing one. The latter will also act as Railroad Examiner, making confidential reports to the Governments of the United States and of Nicaragua.

The Bank has been in operation for over a year. Its capital has just been increased from $100,000 to $300,000. Its head office is at Managua, with branches at Bluefields and Granada and an agency at León. The Bank is the depository of the Government and its issue department issues bank-notes on behalf of the Government. Two of the members of the Board are to be nominated by the Minister of Finance of the Republic and the Secretary of State of the United States has the privilege of appointing one.

There is an exchange fund to maintain the gold standard and in order to insure the permanent maintenance of this fund it is provided that whenever it is depleted below a certain point, one-fourth of the customs revenues is to be applied to it month by month until it is again replenished. Each time this process becomes effective it will by so much permanently strengthen the fund.

During the years of political unsettlement recently past, the commerce of Nicaragua suffered from successive inflations of paper currency. A plan of monetary reform which was recommended by F. C. Harrison of London and Charles A. Conant of New York has been placed in operation, the necessary funds being derived through various loans made since 1911 by Brown Brothers & Co., and J. & W. Seligman & Co. The plan provided first of all for the gradual retirement and incineration of all the previous issues of paper money, and during the last two years a total of 37,300,000 pesos of paper money, out of an estimated aggregate of 48,000,000 pesos originally outstanding, has been bought up by the Government (or exchanged for córdobas) and incinerated.

The present currency is on a gold basis. Bank notes are in córdobas (the new standard of value, equivalent to the United States gold dollar) and such of the paper pesos (the former standard) as are still in circulation are received as the equivalent of 8c in gold, or at the rate of 12½ pesos to the córdoba, and fractional currency in silver, nickel and copper is also in circulation. The exchange rate has been maintained at the present level since January, 1913.

The financial position of Nicaragua has been fundamentally improved. Efficient collection of customs during the past two years by Colonel Clifford D. Hamm, formerly of the Philippine Revenue Service, has, without change in rates of duty, more than doubled the receipts. The physical condition of the railroad has been entirely changed. In addition, deficits have given place to dividends. With the credit facilities afforded by the National Bank, and with the currency, which underlies credit, established on a firm basis, the most serious evils in the finances, both of the Government and of the country, have been remedied. Nicaragua is now in a position to realize the progress in national welfare which has been the aim of the administration of President Díaz. In the meantime the Government

has practically the entire use of all revenues, both internal and customs, for its current needs, excepting only the $375,000, annual requirements to meet the charges on the English bonds of 1909.

Proceeds arising from the sale of the Railroad and Bank stock and the Treasury bills have been applied to strengthening of the currency fund and to the payment of existing advances by the National Bank of Nicaragua, Incorporated, and by the bankers. The balance will, it is understood, go to make payments on account to sundry creditors. Should the United States Senate at its regular session this winter ratify the pending treaty with Nicaragua, providing for the establishment of a naval station on the Gulf of Fonseca and granting a perpetual right to build the Nicaragua Canal, the proposed payment to Nicaragua of $3,000,000, provided in the treaty as compensation, would put that Government in a position where it could liquidate the greater part of the local debt and claims accumulated during former periods of political disturbance. The only foreign debt of the Government of Nicaragua, except the $1,060,000 Treasury bills now issued, is the English bonds of 1909 amounting to £1,200,240, and paying interest at 5% and amortized by a cumulative sinking fund of 1% per annum, calculated to retire the issue on or before maturity.

File No. 817.51/599f.

The Secretary of State to the Minister of Nicaragua.

DEPARTMENT OF STATE,
Washington, October 27, 1913.

SIR: I have the honor to enclose herewith for your information a copy of a letter [1] sent by the Department of State to Messrs. Brown Brothers and Company and J. and W. Seligman and Company, 59 Wall Street, New York, in reference to the loan contracts between the Republic of Nicaragua and the above-mentioned banking firm.

In transmitting to you the enclosed copy, the Department desires to state that its position in this matter is very clearly defined therein and refers especially to the many conversations which you have had at the Department in the premises.

Accept [etc.] W. J. BRYAN.

File No. 817.51/598a.

The Secretary of State to Brown Brothers & Co. and J. & W. Seligman & Co.

[Telegram.]

DEPARTMENT OF STATE,
Washington, October 27, 1913.

Department will be glad to have you place two hundred of the four hundred thousand of Nicaragua's money at their disposal. Immediately a telegraphic reply comes from Nicaragua, you will be advised regarding the arrangement respecting the balance.

W. J. BRYAN.

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[1] The fourth of the four letters of October 6 directed to the bankers by the Department.

File No. 817.51/598.

Brown Brothers & Co. and J. & W. Seligman & Co. to the Secretary of State.

NEW YORK, *October 29, 1913.*

SIR: We received yesterday morning your telegram of the 27th instant, and have accordingly notified the Nicaraguan Government at Managua that the $200,000 referred to in your telegram, out of the $400,000, was subject to its disposal.

We understand, unofficially, that Mr. Cuadra has drawn a check to the order of yourself and Mr. Charles A. Douglas for $100,000 on Brown Brothers & Company which has not yet been presented for payment. When this check is deposited for collection, we beg to advise that it will be necessary to send us instructions to pay it out of the $200,000 now held in reserve, as per your telegram of the 27th instant; also that it will be necessary for Mr. Cuadra to give instructions to the same effect.

We have [etc.]

BROWN BROTHERS & CO.
J. & W. SELIGMAN & CO.

File No. 817.51/599.

The Minister of Nicaragua to the Secretary of State.

[Translation.]

LEGATION OF NICARAGUA,
Washington, October 31, 1913.

EXCELLENCY: I have the honor to answer your excellency's note of October 27 in which you kindly enclosed a copy of the letter sent on October 6 by your excellency to Messrs. Brown Brothers & Co. and J. & W. Seligman & Co., bankers of New York City, in which letter your excellency states that in Nicaraguan matters you have acted and intend in future to act solely in the capacity of adviser; of all of which I take due note.

I take the liberty of expressing to your excellency on behalf of my Government and for myself our thanks for the inestimable services which your excellency has lent to Nicaragua during the short time you have occupied the high position of Secretary of State of the United States of America.

With assurances [etc.]

EMILIANO CHAMORRO.

File No. 817.51/598.

The Secretary of State to Brown Brothers & Co. and J. & W. Seligman & Co.

DEPARTMENT OF STATE,
Washington, November 5, 1913.

GENTLEMEN: The Department is in receipt of your letter of October 29, in connection with the Nicaraguan loan, and referring to the payment of the $100,000 which was to be paid out of the

$200,000 held in reserve in accordance with the Department's telegram.

Under arrangements made with the representatives of Nicaragua on November 4, the Department now desires you to place the remaining $200,000 at the disposition of the Republic of Nicaragua, $100,000 of which sum has already been allotted to the Nicaraguan Mixed Claims Commission by draft drawn by Mr. Pedro Rafael Cuadra, Minister of Finance of Nicaragua, made payable to the Attorney of Nicaragua.

If it is still necessary for Mr. Cuadra to give instructions to this effect, you will kindly request the same of him before complying with the suggestion made in this letter.

I am [etc.]

For the Secretary of State:
J. B. Moore.

File No. 817.51/614.

Brown Brothers and Company and J. and W. Seligman and Company to the Chief of Bureau of Latin-American Affairs.

New York, *November 24, 1913.*

Dear Mr. Long: For the information of the State Department we beg to enclose herewith statement which was given to the press on Saturday [November 20] with reference to the Gold Reserve Fund for the redemption of Nicaraguan Bank Notes, etc.

Yours, very truly,

Brown Brothers & Co.

[Inclosure.]

Statement to the press concerning Nicaraguan finances.

The capital stock of the National Bank of Nicaragua has been raised from $100,000 U. S. gold to $300,000 U. S. gold, all of which has been paid in, in cash. Of this amount, 51% is owned by Brown Brothers & Company and J. & W. Seligman & Co., New York; 49% is owned by the Republic of Nicaragua.

The Bank was organized for the twofold purpose of acting as Fiscal Agent of the Government and of doing a strictly commercial business. It operates in two Departments: The Issue Department, which has charge of the issue of the new currency on behalf of the Government, and the Banking Department, which is charged with the ordinary commercial business of the Bank. The two Departments are entirely distinct.

In connection with this matter, a short statement of what has been accomplished through the Issue Department of the Bank since its organization and of the present condition of the Issue Department and the Reserve Fund will be of interest.

The Issue Department has, by purchase and in exchange for its córdoba notes and silver córdobas, retired the bulk of the old national currency consisting of paper pesos (billetes) until the amount outstanding on November 15, 1913, had been reduced to a sum estimated at about 9,500,000 pesos, having a total gold value of about $760,000. On that date there were also outstanding $1,570,683 in córdoba notes of National Bank of Nicaragua and córdoba silver coins. This issue of currency (bank notes, silver and billetes) of a gold value of $2,330,000 is exchangeable for drafts on New York on presentation at the counter of the Issue Department. The Issue Department, on November 15th, held in its Reserve Fund the sum of $932,693 U. S. gold (equal to 40% of the outstanding currency). Of this, the sum of $829,100 was on

deposits in, or in transit to, New York as special deposit to meet any drafts of the Issue Department that may be drawn for the purpose of redeeming Nicaragua currency. This Reserve Fund can not be used by the Bank in its commercial business; the balance, $103,590, consists of the bullion value of the silver coins. It will thus be seen that there are ample reserves for redemption of outstanding bank notes, silver and billetes. As additional currency is from time to time required by the expanding commerce of the country, that currency will be issued by the Bank and simultaneously there will be added to the Reserve Fund, by deposits in New York or London, an amount equal to the new currency so issued. As additional bank notes are thus from time to time put out, the Reserve Fund will be correspondingly strengthened and will bear a progressively higher relation to the total amount of currency issued. The Reserve Fund will be further increased by interest and commissions earned.

In order further to strengthen the Reserve Fund, provision has been made that in the very unlikely contingency of the Fund at any time declining to $100,000 U. S. Gold, there shall be added thereto 25% of the Customs Revenue until the Fund amounts to $200,000 and this reinforcement of the Fund will be repeated as often as the Fund shall so decline in amount. Any such additions from Customs Revenues are to be permanent additions to the Fund. The present arrangements thus put the National currency of Nicaragua on an abundantly safe permanent basis.

The value of the córdoba is equal to $1 U. S. Gold.

The value of the old peso is equal to 8c U. S. Gold.

NATIONAL BANK OF NICARAGUA, INC.

November 21, 1913.

File No. 817.51/613.

The Nicaraguan Minister of Finance to the Minister of Nicaragua at Washington.

[Memorandum—Summary—Translation.[1]]

There seems to exist in Washington an erroneous idea of the political and economic situation of Nicaragua.

As the loan secured is to be employed preferably in payment of the indebtedness to the bankers, increasing the capital of the [National] Bank, and monetary conversion, with $100,000 for the Mixed Commission, there will remain for the use of the Government only $640,000 to cover urgent administration expenses embracing salaries, liquor and tobacco bonds, maize imported from Salvador during the revolution at a cost of $35,000, payments to Cartago Court and Central American Bureau, and other expenses entailed by agreements.

This explains the insistence that no reserve be made for the account of the Mixed Commission, and you can easily understand what will happen if $300,000 more is drawn for this Commission, which is not sitting at present.

As evidence of the economic crisis in the country, note is made of the fact that all commercial houses in Granada and other sections are on strike; that all are suffering from loss of credit and cannot make importations, which in turn lowers our customs receipts and prolongs the economic crisis.

To meet this crisis the Government wishes to advance $500,000 which is not possible if $100,000 should be diverted for the Commission.

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[1] The original was shown to the Chief of the Division of Latin-American Affairs of the Department of State; the translation of the summary was read to the Secretary of State and filed December 13, 1913; it is not dated.

The purpose of the Department of State to set apart 25% or 20% of the customs receipts for the Mixed Commission would be disastrous. The present budget as passed shows a deficit of $170,000 which, with a decrease of imports, will probably amount to not less than $1,000,000. If a reduction of 25% is made you can readily judge whether the work of the administration can be carried on during the present year.

You may assure Mr. Bryan that all financial matters have been settled through the Bank and all claims submitted to the Mixed Commission, those that have been paid directly by the Foreign Minister having been based on the rulings of the Commission.

PANAMA.

DECLARATION EFFECTED BY EXCHANGE OF NOTES BETWEEN UNITED STATES AND PANAMA PERMITTING CONSULS TO TAKE NOTE, IN PERSON OR BY AUTHORIZED REPRESENTATIVES, OF DECLARATIONS OF VALUES OF EXPORTS MADE BY SHIPPERS BEFORE CUSTOMS OFFICERS. SIGNED AT WASHINGTON, APRIL 17, 1913.[1]

File No. 619.11212/12¾.

Declaration of the Secretary of State.

The undersigned, W. J. Bryan, Secretary of State of the United States of America, duly authorized thereto, in virtue of a reciprocal Declaration made by J. E. Lefevre Chargé d'Affaires of the Republic of Panama at Washington, does hereby declare that from and after June 1, 1913, and until the expiration of one month after the date on which either the United States of America or the Republic of Panama shall give notice of the withdrawal of said Declaration, the consuls of the Republic of Panama in the United States of America shall be permitted to take note in person, or through their authorized representatives, of the declaration made by shippers before the American customs officers in which they state the value of the merchandise exported to the Republic of Panama. The consuls of the Republic of Panama shall be given certified copies of the said declarations when requested by them.

W. J. Bryan
Secretary of State of the United States.

Department of State,
Washington, April 17, 1913.

File No. 619.11212/12¾.

Declaration of the Chargé d'Affaires of Panama.

The undersigned, J. E. Lefevre, Chargé d'Affaires of the Republic of Panama at Washington, duly authorized thereto, in virtue of a reciprocal Declaration made by W. J. Bryan, Secretary of State of the United States of America, does hereby declare that from and after June 1, 1913, and until the expiration of one month after the date on which either the Republic of Panama or the United States of America shall give notice of the withdrawal of said Declaration, the consuls of the United States of America in the Republic of Panama shall be permitted to take note in person, or through their authorized representatives, of the declaration made by shippers before the customs officers of the Republic of Panama in which they

[1] Printed also as Treaty Series No. 578.

state the value of the merchandise exported to the United States of America. The consuls of the United States of America shall be given certified copies of the said declarations when requested by them.

[SEAL.] J. E. LEFÈVRE
Chargé d'Affaires of the Republic of Panama.

LEGATION OF PANAMA,
Washington, April 17, 1913.

ASSAULT ON AMERICAN CITIZENS IN PANAMA.[1]

File No. 419.11D29/33.

The American Chargé d'Affaires to the Secretary of State.

No. 250.] AMERICAN LEGATION,
Panama, November 20, 1912.

SIR: In reference to the riot which occurred on July 4th last between American soldiers and marines and the National Police of Panama, I have the honor to transmit herewith a translation of the book of Panama testimony which I enclosed to you with my despatch No. 222 of October 3, 1912.[2]

I have [etc.]. WM. WHITING ANDREWS.

File No. 419.11D29/35.

The American Chargé d'Affaires to the Secretary of State.

No. 258.] AMERICAN LEGATION,
Panama, December 5, 1912.

SIR: I have the honor to relate some facts concerning the present status of the 4th of July incident.

Captain Barber, Chief of the Canal Zone Police, gives it as his opinion that Leonidas Pretelt, Comandante of the Panaman National Police, has been willing to do as much as possible towards the detection and apprehension of the guilty policemen, but that he is only actually doing as much in that direction as the Administration allows him to do.

While I have no definite knowledge I have the feeling that the Administration is not really exerting itself but is hoping that the passage of time will in some way enable them to wriggle out of the responsibility of satisfying the demands of the United States in adjustment of the 4th of July affair. I therefore, take every opportunity of reminding the Foreign Office that the expectation of the American Government has not lessened. Accordingly I have made use of the reception of instruction of November 23rd, 1912,[3] to address a note to the Minister of Foreign Affairs mentioning the sentiment expressed in the above instruction.

I have [etc.]

WM. WHITING ANDREWS.

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[1] Continued from For. Rel. 1912, pp. 1250–1261.
[2] Not printed.
[3] For. Rel. 1912, p. 1260.

File No. 419.11D29/33.

The Secretary of State to the American Minister.

No. 98.] DEPARTMENT OF STATE,
Washington, January 9, 1913.

SIR: Referring to Mr. Andrews' No. 250 of November 20 last, the Department desires you to take up again with the Foreign Office the question of the adjustment of the matters growing out of the disturbances in Panama on July 4 last, in which two American citizens lost their lives and many other American citizens were more or less seriously injured.

You will say that the Department has given careful consideration to the testimony collected by the Panaman authorities with regard to this affair. As a result of this consideration and a comparison of this testimony with the great mass of evidence collected by the representatives of the United States Government in Panama, the Department has come to the conclusion that such Panaman testimony as was not given by interested policemen and other guilty participants in the affair was obtained through force and intimidation; indeed, the Department is in possession of information showing that these practices obtained in the collection of this evidence.

The witnesses whose testimony was secured by the Panaman authorities aside from those classes before mentioned are mainly inmates of the disorderly houses located in the section where the disturbances occurred, and many of these people also gave evidence before the United States representatives which is largely at variance with that which they are reported as having given in the course of the Panaman investigation. On this point it is interesting to note that one of these persons, Clara Bernard, in an affidavit made before the police authorities of the Canal Zone stated that when her evidence in regard to this affair was obtained by Señor Quijano the latter omitted everything which she said detrimental to the police; while another of these persons, Becky Katz, states in an affidavit that she was warned by the police to make no statement favorable to the Americans.

The Department considers therefore that it is entirely warranted in declaring its belief that the testimony supplied by the former administration of Panama with relation to this affair is unworthy of credence so far as it attempts to absolve the Panaman police from guilty responsibility for the killing and wounding of American citizens.

However, it is abundantly shown by that very testimony that the police fired revolvers and rifles at American citizens during the progress of this affray and that Panaman civilians pursued the Americans with sticks, stones and clubs.

Moreover, as showing the animus of the police and their superior officers, it is worthy of great note that Eleuterio Solano, who was assistant desk officer at police headquarters on July 4 last, has furnished an affidavit to the representatives of the United States in which he says that Lieutenant Vergara, the desk officer, upon receiving reports of the disturbances in question sent by the sergeant in charge of the Cocoa Grove station, replied by orders to the latter to shoot and kill some Americans. Furthermore, evidence given by

Rafael Alzamora and A. Mendoza before the representatives of the United States is to the effect that they heard policemen upon leaving the station to go to the scene of the trouble say they were going to kill "gringos."

The United States Government is not to be understood as denying that there was some disorderly conduct on the part of the American citizens in the Cocoa Grove district on July 4 last, but it does not appear that such disorder was directly dangerous to the life of any person. On the other hand, the evidence obtained by the representatives of the United States not only from soldiers and marines and Americans generally but from Panamans and persons of other nationalities clearly and overwhelmingly establishes that on the occasion in question the police of Panama virtually ran amuck, shooting and stabbing indiscriminately.

Thus the death of the American civilian Ralph W. Davis, who had taken no part in the affray, is shown to have been caused by a bayonet thrust through him by a Panaman policeman from whose attack, while Davis was peacefully seated in a bar-room, the latter had endeavored to seek refuge behind a piece of furniture.

To cite another instance, it may be said that the evidence in regard to the severe wounding of the American civilian John Young, a non-participant in the disturbances, shows that he was walking peacefully with a friend when they were fired upon by five or six Panaman policeman and Young received three bullet wounds in the head.

The evidence further shows that a soldier who had thrown himself upon his back was fired at and beaten by a policeman standing over him; that another soldier who knelt and begged for mercy was ruthlessly beaten; that another American citizen dangerously wounded with a compound fracture of the thigh was brutally beaten to make him walk and then thrown roughly in a carriage.

You will therefore renew the insistence of the United States Government upon the bases of adjustment set forth in the Department's telegram of September 24 last [1] and say that the United States Government expects immediate compliance therewith.

In order to assist the Panaman Government in establishing the identity of some of the guilty policemen (which, you will add, should not be a difficult task) you will state that the evidence in the possession of the Department indicates that the number of the policeman who fired the first shot in the affray appears to have been 360; that policeman Alberto Pena knocked down and kicked an American soldier; and that policeman Florencio Casiano, No. 315, afterwards shot the same soldier through the leg with a rifle. Witnesses who have testified before the United States representatives upon these points are Gerardo Brown, Bertin Mina, Juan Cortez, Antigua Cortes, all Panamans.

The Department is also in possession of information imparted on September 3d last to Inspector Belknap of the Canal Zone Police by Juan B. Wellington, Panaman policeman No. 343, to the effect that the latter's brother, also a policeman, was at the Cocoa Grove station on the evening of July 4th last when he saw policeman Mariano Carabati, then No. 531, come into the station with a bayonet affixed to a rifle covered with blood and badly bent. Juan B. Wellington fur-

[1] For. Rel. 1912, p. 1257.

ther stated that his brother could testify that Carabati had killed the above-mentioned American Ralph W. Davis, and could identify another policeman (Domingo Moreno, present No. 210, No. on July 4th last 532?) who was present when Carabati committed this murder. Wellington added that on July 6th or 7th last Carabati's number was changed to 110, and that about August 1st he was discharged but still remained in Panama City.

I am [etc.]

P. C. KNOX.

File No. 419.11D29/37.

The American Minister to the Secretary of State.

[Extract.]

No. 313.] AMERICAN LEGATION,
Panama, Feb. 1, 1913.

SIR: I have the honor to acknowledge the receipt of your instructions No. 96 of December 27th[1] and No. 98 of January 9th last, the former directing me to use my discretion in the matter of acceding to the request of the Panaman Minister for Foreign Affairs for a copy of the testimony taken by American officials bearing upon the riot between Americans and Panaman policemen on July 4th last, and the latter directing me to make a communication to the Minister for Foreign Affairs relative to this testimony collected by the Panaman Government.

Since receiving your former instruction I have given serious consideration to the question of furnishing the copy desired, consulting with Mr. Belknap, Assistant Chief of the Zone Police, in the absence of Captain Barber, Chief of the Zone Police; Colonel Greene, Commanding the 10th United States Infantry Regiment; Major Butler, Commanding the Marine Battalion; and Colonel Hodges, Acting Chief Engineer of the Isthmian Canal Commission. All these gentlemen expressed their willingness that copies of the testimony taken by their subordinates should be given to the Panaman Government.

Captain Barber's opinion is similar to my own and I have now decided, in view of the discretion given me, to send a copy of all our testimony to Señor Lefevre, Minister for Foreign Affairs. This copy I am now having made and it will probably be finished and transmitted on the 3rd instant. In reaching this decision I am not unaware that this testimony may possibly be misused either for political purposes or simply in an effort to discredit it. On the other hand in view of the fact that the Panaman Government have already furnished us with a copy of their testimony, and of the repeated requests to me of both President Porras and Señor Lefevre and the assurances of both that the Panaman Government desires this testimony to assist in an earnest effort to find out and punish the guilty and for no other purpose whatever, it is difficult to refuse it without furnishing ground for allegations on their part of lack of confidence and failure to give proper assistance. I also believe that although the Panaman Government sees no advantage for itself,

[1] For. Rel. 1912, p. 1260.

and perhaps the reverse, in endeavoring to find and punish the guilty in this affair, yet it desires greatly to avoid any appearance of failing in its duties toward us. By constantly keeping these duties before it, I trust that it will be possible to secure the proper results. Moreover it seems clear not only that our testimony will be of very substantial assistance but that without it it would probably be impossible for the Panaman Government to secure full information especially as so many of the witnesses are Americans living in the Zone, soldiers, marines and civilians, whose testimony would be extremely difficult for it to obtain.

As safeguards in addition to the assurances already mentioned, President Porras and Señor Lefevre have agreed willingly to allow a representative of the Legation to be present at the investigation and take notes, and General Pretelt has agreed to have all the Panaman witnesses make new affidavits before him in the presence of Mr. Belknap, using the old ones to refresh their memories. In this way it is hoped to avoid the possibility of these witnesses varying their testimony.

Regarding your instruction No. 98, I have taken the liberty of delaying to make the communication therein in order to do so at the same time that I transmitted our complete testimony.

I trust that through our testimony, the communication which I am now addressing from the Department and my own continued efforts a satisfactory result may finally be obtained. It seems entirely clear that notwithstanding the absence of any records the present Administration with the knowledge of General Pretelt at hand could readily have found the guilty had it really desired to do so.

I may add that in prosecuting this investigation Señor Arjona is assisted by the Fiscal (District Attorney) of the Panama Circuit, Señor Eusebio A. Morales, jr., and that the Court before which the investigation is taking place is the Panaman Circuit Court of which Dr. T. Demóstenes Arosemena is the Judge. Señor Morales is a friend of the present Administration and Señor Arosemena of the last when he was Governor of Colon Province.

I have [etc.]

H. Percival Dodge.

File No. 419.11D29/37.

The Secretary of State to the American Minister.

Department of State,
Washington, February 17, 1913.

Sir: The Department has received your No. 313, of February 1 last, reporting your recent action in the matter of your negotiations with the Panaman Government with a view to the investigation of the case of the riot on July 4 last in which certain Americans were killed and wounded.

Your action in the matter is approved.

I am [etc.]

P. C. Knox.

140322°—F R 1913——68

File No. 419.11D29/39.

The American Minister to the Secretary of State.

[Extract.]

No. 349.] AMERICAN LEGATION,
Panama, March 4, 1913.

SIR: Referring to my despatch No. 313 of February 1st last, relative to my furnishing the Panaman Government with a copy of the testimony taken by American officials bearing upon the riot between Americans and Panaman policemen on July 4th last, I have the honor to inform you that in accordance with the arrangement made by me with General Pretelt, Chief of the Panaman Police, the important Panaman witnesses Leonidas Olarte, Juan Cortez, Antigua Cortés, Eleuterio Solano, Bertin Mina and Gerardo Brown recently made before him new affidavits confirming the affidavits formerly made by them before the Zone Police during August last, and that in them they re-affirmed all their former statements. These confirmations, which I believe to be important in order to avoid the possibility of these men varying their former testimony when brought before the Judge, have now been sent to Señor Arjona, the Attorney General, who is in charge of this investigation.

In my note transmitting our testimony to Señor Lefevre, Minister for Foreign Affairs, I stated that my Government in thus acceding to the desires of the Panaman Government gave a proof of its appreciation of and confidence in the assurance given by the Panaman Government of its determination to identify and properly punish those responsible for the killing and wounding of American citizens on this occasion, it being of course understood that this testimony would be used exclusively for this purpose. On the same date I addressed another note to Señor Lefevre, in which I made the communication which I was desired to make by your instruction No. 98 of January 9th last. I presented both notes personally to Señor Lefevre, again laying stress upon the extremely serious character of this affair and my Government's expectation that the guilty would now promptly be brought to justice.

Since then Señor Lefevre has informed me that both he and President Porras had read our testimony and had been greatly impressed by it, both on account of its completeness and the far greater seriousness of the affair which it showed than they had before realized. Señor Lefevre stated that President Porras had directed him to inform me that no efforts would be spared for the execution of entire justice.

I have [etc.]

H. PERCIVAL DODGE.

File No. 419.11D29/39.

The Acting Secretary of State to the American Minister.

No. 115.] DEPARTMENT OF STATE,
Washington, March 25, 1913.

SIR: The Department has received your No. 349 of March 4 last, and approves your transmission to the Panaman Foreign Office of a

copy of the testimony taken by the American authorities on the riot at Panama on July 4 last; also your note to the Panaman Foreign Office carrying out the Department's instruction No. 98 of January 9 last.

I am [etc.]

ALVEY A. ADEE.

File No. 419.11D29/42.

The American Minister to the Secretary of State.

No. 443.] AMERICAN LEGATION,
Panama, May 14, 1913.

SIR: Referring to my despatch No. 349 of March 4th last, I have the honor to inform you that I have continued to keep myself as fully advised as possible regarding the progress of the Panaman Government's investigation of the riot between Americans and Panaman policemen which occurred on July 4th last. Señor Lefevre, Minister for Foreign Affairs, has informed me that immediately upon receiving my note enclosing copies of our testimony he began personally to translate these into Spanish. Later he transferred this work to the interpreter of the Foreign Office. After five weeks I learned that the translation was still far from completed and accordingly urged Señor Lefevre to expedite the work by dividing it between two translators. This was done and about a month later I was informed by Señor Lefevre that the translation of all the testimony which he considered to be of any importance had been completed and sent to the Attorney General (Procurador de la Nacion) and District Attorney (Fiscal del Distrito) for study and consideration. Another long delay then ensued and in a further effort to expedite the proceedings I addressed on the 3rd instant a note to Señor Lefevre inquiring, for the information of my Government, what steps had already been taken by the Panaman Government with a view to securing the adequate punishment of the persons criminally liable in this affair.

On the following day Señor Lefevre requested me to call at the Foreign Office where I found Dr. Demosthenes Arosemena, the Judge of the Superior Court making the investigation, with him. Señor Lefevre then informed me that our testimony had now been sent to Judge Arosemena who desired to proceed immediately with the case and suggested that I should cause all our witnesses to present themselves before him in groups of five each morning and five each afternoon to sign and swear to the affidavits formerly made by them. This procedure was in order to make these affidavits admissible in evidence according to the Panaman law. I replied that I would do everything possible to meet the Judge's wishes whereupon Judge Arosemena assured me of his desire to make the most thorough investigation and bring the guilty to justice.

Accordingly I have arranged so that from the 8th instant our witnesses have appeared before Judge Arosemena who in all cases has had them sign and swear to their former affidavits and has further questioned them. These questions have on several occasions brought out new facts of some importance. According to my agree-

ment with Señor Lefevre (Despatch No. 313 of February 1st last) Mr. Wicker, the Secretary of the Legation, has accompanied our witnesses and been present during their entire examination, taking brief notes of them.

Although from the foregoing it will be seen that some progress has been made in this case, and although both President Porras and Señor Lefevre frequently assure me of their firm determination to discover the guilty and punish them, I do not believe that the Panaman Government is really desirous of doing more than it feels to be necessary in order to enable it to escape from possible charges of failure to take proper action made by our Government. As none of the persons injured in this case was a Panaman, it feels little interest in this matter, while on the other hand it fears that this investigation, if leading to trials and convictions, may stir up animosities which may prove to be to the political disadvantage of the members of the Government.

In this connection I may add that Señor Julio Quijano, the Chief of the Panaman police at the time of this occurrence, who fled to Guayaquil to escape from dismissal upon the demand of the Department of State,[1] returned to Panama a few days ago.

I have [etc.]

H. Percival Dodge.

File No. 419.11D29/42.

The Secretary of State to the American Minister.

No. 140.] Department of State,
Washington, May 28, 1913.

Sir: The Department has received your No. 443 of the 14th instant, reporting [etc.]

You will do everything in your power to expedite the investigation which is being made by the Panaman authorities; and as soon as it shall appear to be wise to urge upon these authorities the prompt consideration of the question of the indemnity, you will take such action.

I am [etc.]

For the Secretary of State:
J. B. Moore.

File No. 419.11D29/44.

The American Minister to the Secretary of State.

[Extract.]

No. 467.] American Legation,
Panama, June 9, 1913.

Sir: Referring to my despatch No. 443 of May 14th last, relative to the investigation now being made by the Judge of the Superior Court of Panama into the disturbance which took place at Cocoa Grove, Panama, on July 4th last I have the honor to inform you that nearly all the American witnesses and a number of the Panaman

[1] For. Rel. 1912, pp. 1251–1252.

witnesses, whose testimony was furnished by the Legation to the Panaman Government, have now appeared before the Judge who has caused them to sign and swear to their former affidavits and statements. This the witnesses have readily done in all cases, some of them being also cross-examined by the Judge. This cross-examination has occasionally brought out some new facts of importance. Mr. Wicker, Secretary of the Legation, has been present during all the examinations of these witnesses and reports that the attitude of Judge Arosemena and Judge Guardia, who has now temporarily replaced him on account of his illness, has appeared to be satisfactory. Nevertheless as Judge Guardia was the Judge who conducted the extraordinarily partial investigation into this matter made by order of the Arosemena Administration, his acting as Judge in the present investigation seems most improper. I have accordingly taken occasion to intimate this strongly both to President Porras and to Señor Lefevre, Minister for Foreign Affairs, both of whom stated that they agreed with me entirely but that as Judge Guardia was the first substitute Judge (Suplante) in Judge Arosemena's absence he was obliged by law to take his place. They further stated that Judge Arosemena would return to his duties in about two weeks and that if Judge Guardia failed in any way to do justice, the case would be brought before the Supreme Court in which the majority of the Judges were friendly to the Administration. I replied that I must nevertheless strongly urge that Judge Guardia should not conduct the investigation further and reminded President Porras and Señor Lefevre of the responsibility toward our Government which the Panaman Government would incur if this Judge should continue to act. [The] President and Señor Lefevre finally stated that every effort would be made to have Judge Guardia replaced in the investigation. I have also now addressed a note to Señor Lefevre formally stating the above-mentioned objections against this Judge and the Panaman Government's responsibility in allowing him to act further.

I have also taken occasion to express some disappointment to President Porras and Señor Lefevre that although strong testimony against certain ex-policemen was now in evidence, no arrests had been made or criminal prosecutions begun. Both assured me that the ex-policemen in question were being watched and could not leave the country. Before beginning these precautions, however, they considered that it would be desirable to complete the investigation or at all events proceed with it further than at present. President Porras and Señor Lefevre reiterated with the greatest earnestness their strong determination to find and punish the guilty in this affair, which President Porras stated he considered necessary for the honor of his country.

In my despatch No. 443 above mentioned, I have referred to the fact that a number of our witnesses, some at least of whose testimony appears to be of importance (as that of George T. Stokes and Isaac J. Thomas, an ex-marine private), are no longer on the Isthmus and so are unable to sign and swear to their affidavits before the Panaman Judge as required by the Panaman law. I have invited Señor Lefevre's attention to this matter in a note, to which I have received a reply stating that he had requested the Superior Judge to issue letters rogatory to secure the testimony of these witnesses.

I have recently received from Captain Barber, Chief of the Zone Police, what purports to be an original sheet giving the numbers and duties of all the Panaman policemen on duty on July 4th last. Captain Barber advises me that this sheet was handed to him by General Pretelt, Chief of the Panaman Police, who informed him that he was entirely willing that it should be transmitted to the Panaman Government and also that he was willing to furnish to the Government the names of all the policemen whose numbers appear on this sheet, which I have transmitted to Señor Lefevre with a note informing him of its origin and of General Pretelt's readiness to give the names of these policemen. This evidence should be of very material assistance in the investigation.

I have [etc.]

H. PERCIVAL DODGE.

File No. 419.11D29/44.

The Secretary of State to the American Chargé d'Affaires.

No. 148.] DEPARTMENT OF STATE,
Washington, June 30, 1913.

SIR: The Department has received Mr. Dodge's No. 467 of the 9th instant, reporting concerning the progress of the investigation which is being made by the Panaman Government into the disturbances at Cocoa Grove, Panama, on July 4 last, in which certain Americans were killed and wounded.

The Department approves Mr. Dodge's protest made to the Government of Panama against the further participation of Judge Guardia in the case, and, referring to the Minister's statement that the Foreign Office had decided to send to the Panaman Minister in this city letters rogatory for the examination of foreign witnesses, I have to say that the Department will be glad to assist the Panaman Minister in ascertaining the desired addresses of any such witnesses.

You will, however, inform the Foreign Office that the Department considers that in view of the great mass of testimony which has already been submitted in this case little time should be spent in obtaining evidence from witnesses who are absent from Panama and whose testimony would be very largely cumulative.

I am [etc.]

For the Secretary of State:
J. B. MOORE.

File No. 419.11D29/45.

The American Chargé d'Affaires to the Secretary of State.

[Extract.]

No. 498.] AMERICAN LEGATION,
Panama, August 11, 1913.

SIR: With reference to the disturbances which took place in the city of Panama on July 4, 1912, I have the honor to inform you that I have been informed by Señor Lefevre, the Minister for Foreign Affairs, that the Panaman Government has already arrested seven

officers of the police force who are believed to have been concerned in the riot, and is pursuing an investigation, a report upon which has been promised to me within a very short time.

In view of the noticeable delay on the part of the Panaman Government in pursuing this matter I have vigorously urged with Señor Lefevre that it be given immediate attention and that the report be prepared as quickly as possible setting forth the attitude and proposed action of the Panaman Government in adjusting this affair along the lines indicated by the Department.

I have [etc.]

CYRUS F. WICKER.

File No. 419.11D29/45.

The Secretary of State to the American Chargé d'Affaires.

[Extract.]

No. 164.] DEPARTMENT OF STATE,
Washington, September 9, 1913.

SIR: The Department has received your No. 498 of the 11th ultimo.

You will state to the Foreign Office, in relation to the investigation of the disturbances which took place at Coco Grove on July 4, 1912, that the United States Government has exercised a great amount of patience in regard to this affair, but that the long and apparently needless delay which has occurred in the pursuit of the investigation by the Panaman Government has served to arouse suspicions that it is not conducting this investigation with any degree of earnestness. The United States Government has, therefore, to request that a report of such investigation as has been made be immediately transmitted to the Legation together with a statement showing what action the Government of Panama proposes to take with relation to all features of the case, including the indemnity which is due to various American citizens who received injuries during the affair mentioned.

I am [etc.]

For the Secretary of State:

JOHN E. OSBORNE.

File No. 419.11D29/47.

The American Minister to the Secretary of State.

No. 22.] AMERICAN LEGATION,
Panama, November 15, 1913.

SIR: Supplementing my despatch No. 15 of October 29, 1913,[1] in which I refer to the fact that the Secretary of Foreign Affairs of the Republic of Panama, had assured me that the incident of the 4th of July, 1912, at Cocoa Grove district, Panama, in which one American was killed and certain others wounded, was being given attention, I have the honor to inform the Department that I have insistently urged upon the Secretary of Foreign Affairs from time to time the importance of this pending matter and insisted on a definite and satisfactory reply from his Government to our demands in this case. He has declared that his Government felt it most nec-

[1] Not printed.

essary to get returned the letters rogatory heretofore sent by his Government for the purpose of obtaining the testimony of various witnesses in this matter, one particularly from Brazil, and that the former Minister here, my predecessor, had expressed his desire that this testimony be in the files before final action in the case.

I expressed to him my opinion that this testimony was of a cumulative character and not absolutely necessary in consideration of the merits of the case and that there had been great patience already shown by our Government in its dealings with the Panaman Government regarding this matter.

The Secretary of Foreign Affairs has now requested me to withhold for the time being a Foreign Office note from this Legation regarding this matter, which I informed him I should have to draft in rather vigorous terms, and has assured me that he is discussing the matter with various officials of his Government for the purpose of replying to our Government in a manner calculated to bring about a satisfactory settlement of our demands.

I shall continue to press this matter and the Department will be advised as to its further developments.

I have [etc.]

WM. JENNINGS PRICE.

File No. 419.11D29/47.

The Secretary of State to the American Minister.

No. 12.] DEPARTMENT OF STATE,
Washington, December 18, 1913.

SIR: The Department has received your No. 22, of the 15th ultimo, reporting [etc.].

The Department approves your action in pressing the case and hopes soon to be informed that you have received the promised note from the Foreign Office.

I am [etc.]

W. J. BRYAN.

File No. 419.11D29/48.

The American Minister to the Secretary of State.

No. 51.] AMERICAN LEGATION,
Panama, December 23, 1913.

SIR: Referring again to the disturbance in the restricted district of this city known as Cocoa Grove, on July 4th, 1912, in which one American was killed and several wounded, and supplementing my dispatch No. 22 of November 15th, 1913, I have the honor to report that I transmitted yesterday in person to Señor Lefevre, the Secretary for Foreign Affairs of Panama, a Foreign Office note vigorously insisting upon a prompt closing of negotiations in this matter and a settlement satisfactory to the United States. Said note in duplicate is herewith enclosed.

Señor Lefevre read the note in my presence and said he would himself call a conference with officials of his Government regarding the matter tomorrow.

I have [etc.]

WM. JENNINGS PRICE.

[Inclosure.]

F. O. No. 14.] AMERICAN LEGATION,
Panama, December 22, 1913.

EXCELLENCY: Referring again to the occurrence in this city on the 4th of July, 1912, in the restricted district known as Cocoa Grove, in which one American citizen was killed and several others wounded by the Panaman police, I have the honor to communicate by this note what I have several times already communicated verbally; that my Government instructs me to say that the large patience it has exercised in this matter has been subjected to such continued strain by your excellency's Government, that it has almost become exhausted.

The files in this case in your excellency's office set forth in detail the demands of my Government in this matter and further exhibit the persistency with which compliance with same has been insisted on. It was one of the first things taken up by me with your excellency promptly upon assuming the duties of my post here and ever since has continued to be a matter of urging on my part with your excellency and the importance of a prompt and gratifying settlement of the whole affair has been already pointed out.

I have been given assurances each time by your excellency that all possible dispatch was being employed to bring these negotiations to a satisfactory conclusion with my Government, and at your excellency's request a Foreign Office note from this Legation regarding this matter has been held in abeyance until now.

The very definite and determined attitude of my Government has been presented in the repeated communications to your excellency's Government respecting this cruel and criminal wounding and taking of life by men occupying official position under one of your branches of Government and any rehearsal would be more than unnecessary.

It is now nearly a year and a half since the enactment of this tragedy.

In addition to the permanent force of officials of eminent ability and worth that our great Canal will demand upon its completion, now near, and the body of skilled and high grade employees necessary under them, it is understood that there is to be stationed in the neighboring Zone a large body of soldiers and marines some of whom, as your excellency knows, are already on the way here.

The proximity of all these representatives of my Government to the Republic of Panama and your chief and capital city can but be a source of considerable revenue and it is believed may be materially beneficial in other ways to your excellency's country. The desirability of pleasant feelings on their part toward your people and particularly on the part of the soldiers and marines, on account of the connection of the shocking events of this occurrence with men of their rank, must seem clearly apparent.

I shall indulge the hope of a prompt fulfillment by your excellency's Government in this distressing affair of what has resolved itself far beyond hope and into expectancy by reason of the amount of incontrovertible proof, that has made the position taken by my Government unquestionable, and respectfully ask an undelayed response to that end.

I have [etc.] WM. JENNINGS PRICE.

PROPOSED RAILROAD CONCESSION IN PANAMA—ATTITUDE OF THE UNITED STATES.[1]

File No. 819.77/135.

The American Minister to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Panama, January 8, 1913.

I have just obtained copy of contract signed a few days ago by the Panaman Government with Basil Barnes [Burns] Duncan, an American residing here, which now requires approval of Assembly to become law, providing for construction within five years of a rail-

[1] Continued from For. Rel. 1912, pp. 1167–1206.

way starting from west side of mouth of Chagres River and running more or less in southwest direction at least fifty kilometers. Concessionaire may construct at any time such branches of such length and direction as he may consider necessary to the enterprise, previously requesting consent of Executive. He may establish wharves at Chagres and other places which he may consider suitable. Authorization to be granted in accordance with Law 82 of 1904 and he shall execute at his expense necessary works at Chagres or another port to allow entry of larger ships. Government grants all necessary Government land including strip of fifty meters for main line and three hundred hectares per kilometer of main line in alternate sections; also right to operate necessary telegraph lines. Concessionaire must deposit $10,000 guaranty, allow connections to other railways and allow Government to use railway whenever it considers it to be desirable. He surrenders right to make diplomatic claim and agrees to pay percentage of receipts after ten years. Concession for seventy-five years, Government reserving the right to purchase main line after thirty years. Contract may not be assigned at all without the consent of Government and may not be assigned to foreign Government.

Have obtained from Panaman Government postponement of further action upon this contract pending an opportunity for consulting my Government.

DODGE.

File No. 819.77/137.

The American Minister to the Secretary of State.

No. 281.] AMERICAN LEGATION,
Panama, January 8, 1913.

SIR: Referring to my telegram of January 8, I have the honor to enclose herewith the text of this contract as furnished to me by Señor Acevedo, and a translation.[1]

I became aware by chance a few days ago that some railway contract of this nature had just been signed but notwithstanding frequent requests I was unable to secure a copy of it until late last evening. Upon examining this contract it appeared to me that its nature and provisions made it one which the Department would desire to have an opportunity of considering before it became law notwithstanding that the nominal concessionaire is an American; for, especially, the concessionaire is to construct a railway to start from a point a very short distance from the Atlantic entrance of the Canal; the length of line which he is allowed to build is entirely left to his discretion, providing he builds at least 50 kilometers; he is also allowed to construct as many branches as he likes at any time and running in any direction; he is to establish wharves at various places near the Canal and to improve the mouth of the Chagres River so that it can be entered by large ships, etc. Certain provisions of the contract appear favorably, as the system of land grants in sections, alternately for the Government and the concessionaire; the fact that the concessionaire must, under reasonable conditions, allow connections with

[1] Not printed.

other railways (as the Pan-American) and allows the Panaman Government to use the line whenever it considers this desirable; and the provision that the contract requires the Government's consent to be assigned and cannot in any case be assigned to a foreign Government.

I accordingly called this morning upon President Porras and after stating my opinion as above, I requested him to delay further action upon this contract until I had been able to consult my Government. I added that although the Department's instruction No. 89 of September 20, 1911,[1] which I had especially brought to his attention in August last, was particularly written in view of a railway contract with foreigners, it seemed to me to apply also to the present case. President Porras replied that, as he had read this instruction, it appeared to apply only to railway contracts made with foreigners but that nevertheless if I desired it, he would be happy immediately to stop further proceedings until I had had an opportunity of consulting my Government as I desired. He wished me however to address my request in writing to Señor Lefevre, Minister for Foreign Affairs, in order that he might justify his action. This I ageed to do and I enclose a copy of my note[2] to Señor Lefevre. President Porras then said that I had made this request at the right moment, as he had been about to send the contract to the Assembly for its approval.

I have [etc.]

H. Percival Dodge.

File No. 819.77/141.

The American Minister to the Secretary of State.

No. 287.] American Legation,
Panama, January 11, 1913.

Sir: Referring to my despatch No. 281 of the 8th instant, I have the honor to inform you that Mr. Basil Burns Duncan, the concessionaire of the railway contract therein mentioned, has since then called upon me. He inquired as to the action taken by me which I fully explained to him, giving him my reasons as stated in my despatch No. 281 referred to. Mr. Duncan replied that he understood fully my reasons and had always understood this to be the attitude of the American Government which he thought perfectly reasonable. He was glad to have the Department of State examine his contract and as a patriotic American did not wish to do anything which might be disapproved by his Government.

In reply to my questions, he stated that he alone was interested in this contract at present but that he expected to interest certain persons in the United States. He expected to form an American corporation, the control of which would remain in the United States where also any stock and bonds which may be issued would be sold. It would be a strictly American enterprise. His plan was to construct the main line in a westerly direction, how far he could not now tell. Its purpose was to open up the country to sugar, cocoa, and banana plantations.

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[1] For. Rel. 1912, p. 1171 et seq.

[2] Not printed.

Since Mr. Duncan's call I have had a conversation with Mr. McKay, the manager of the United Fruit Company's plantations at Bocas del Toro, who is now temporarily here. Mr. McKay informed me confidentially that Mr. Duncan had spoken to him about his concession and that he had told him that the United Fruit Company would be glad to look into the concession when it had been definitely granted. Mr. McKay also confidentially informed me that he believed that the only other person now interested with Mr. Duncan was a Señor Florencio Harmodio Arosemena A., a Panaman of some property and an excellent engineer educated in Paris who had formerly been in the employ of the United Fruit Company. He added that Mr. Duncan was intending to construct his line of the same guage as the United Fruit Company's lines in Bocas.

In reply to my inquiry as to whether there was any truth in the report which I had heard that the United Fruit Company was considering the construction of a railway from Puerto Limon, Costa Rica, to Bocas del Toro, Mr. McKay stated that the United Fruit Company was not considering such a line but that, as I was probably aware, Mr. Minor C. Keith had a strong desire, if he lived long enough, to complete the Pan-American Railway as far as Panama City. The Panaman section of this line he thought would presumably follow the Atlantic coast.

I have [etc.]

H. PERCIVAL DODGE.

File No. 819.77/137.

The Secretary of State to the American Minister.

[Telegram.]

DEPARTMENT OF STATE,
Washington, January 18, 1913.

Action reported in your No. 281 approved. The contract has been referred to the War Department for study and report. Would it, in your judgment, be advisable to have a commission examine this contract as was done in the case of the Agua Dulce Railway?

KNOX.

File No. 819.77/138.

The American Minister to the Secretary of State.

[Telegrams.]

AMERICAN LEGATION,
Panama, January 18, 1913.

My telegram of January 8 and despatch 281. Minister of Foreign Affairs requests decision regarding Duncan contract as soon as possible as, in order to be approved by Assembly, contract must be submitted to it several days before the end of session on the 28th.

DODGE.

File No. 819.77/137.

AMERICAN LEGATION,
Panama, January 19, 1913.

Department's January 18. It would be advisable in my judgment to have contract examined as suggested, commission to meet immediately and endeavor to report by telegraph within two days in view of end of session of Assembly. See my January 18.

DODGE.

File No. 819.77/139.

The Secretary of State to the Secretary of War.

DEPARTMENT OF STATE,
Washington, January 20, 1913.

SIR: I have the honor to inform you that the American Minister at Panama reports to the Department under date of January 8th that an American citizen, Mr. Basil Barnes [Burns] Duncan, residing on the Isthmus, has signed a contract with the Minister of Public Works of the Republic of Panama for the construction of a railroad starting at the west side of the Chagres river, near its mouth, and that the concessionaire has also by the contract a right to build such branch railroads as the Government of Panama may approve.

Minister Dodge has taken this matter up with the Panaman Government and has been assured that before legislative approval of the contract was had the Government of the United States would be given an opportunity to examine it.

I have the honor to enclose herewith a copy of Mr. Dodge's despatch No. 281, together with a copy of its enclosures, for your information, and I have the honor to request that the War Department examine this contract with a view to ascertaining and informing this Department with regard to its desirability from a strategic viewpoint. As was done in the case of the Santiago-Agua Dulce Railway, it might also be well to submit the contract to a technical board in order that its feasibility and merit as a railroad enterprise may be examined and reported on by the board.

The Minister of Panama has informed the Department that his Government is most anxious, if possible, to have a decision in this matter prior to the adjournment of the present session of the Legislature, which is due to expire about the end of the month, but which will probably be prolonged for some little time thereafter.

I have [etc.]

P. C. KNOX.

File No. 819.77/139.

DEPARTMENT OF STATE,
Washington, January 20, 1913.

SIR: Referring to the Department's letter of January 20, 1913,[1] concerning the projected construction of a railway on the Isthmus of

[1] Next above.

Panama starting from a point near the mouth of the Chagres River, I have now the honor to inform you that the American Minister in Panama believes that it would be advisable to have this contract examined by a commission constituted in the same manner as the commission named to consider the railway project from Santiago to Anton in March last, referred to in this Department's letter of March 19th[1] and in your letter to this Department of April 3, 1912.[1]

In view of the Minister's recommendation, I have the honor to request that appropriate instructions issue from your Department in order that the American Minister as chairman, a member of the Isthmian Canal Commission to be designated by the chairman thereof, and the Chief Engineer of the Panama Railroad may meet to pass upon the technical merits of this project and be requested to report at their earliest possible convenience. Instructions are being issued to the American Minister in this sense, who is desirous of reaching an early conclusion in view of the shortness of the time that the Panaman Assembly has to remain in session.

The finding of this board would naturally be quite apart from any decision that your Department might reach regarding the expediency of the construction of this road from a strategic point of view.

I have [etc.]

P. C. KNOX.

File No. 819.77/139.

The Secretary of State to the American Minister.

[Telegram.]

DEPARTMENT OF STATE,
Washington, January 21, 1913.

Your January 19. The Secretary of War has been requested to issue appropriate instructions for the creation of a commission to examine the railway contract. You are hereby directed to act as chairman of this commission to take action similar to that outlined in Department's No. 42 of April 8, 1912.[2]

KNOX.

File No. 819.77/143.

The Secretary of War to the Secretary of State.

WAR DEPARTMENT,
Washington, January 22, 1913.

SIR: I have the honor to acknowledge the receipt of your two letters of the 20th instant, in reference to a contract [etc.].

In reply I beg to advise you that I am forwarding this correspondence to the Chairman and Chief Engineer of the Isthmus Canal Commission on the Isthmus, who is also President of the Panama Railroad Company, with instructions to designate a representative of the Isthmian Canal Commission to act with the American Minister and the Chief Engineer of the Panama Railroad as a commission to pass upon the technical merits of this project, and am also asking the Chairman of the Commission to review the report of the

[1] Not printed. [2] For. Rel. 1912, pp. 1200–1201.

board and to submit any recommendations which he may see fit to make in reference to the same, and also to submit his views in reference to the desirability from a strategic point of view of the proposed railroad. Upon receipt of the desired information from the Isthmus, you will be communicated with again.

Very respectfully,

HENRY L. STIMSON.

File No. 819.77/141.

The Secretary of State to the Secretary of War.

DEPARTMENT OF STATE,
Washington, January 27, 1913.

SIR: Referring to your letter of the 22nd instant and previous correspondence concerning the contract held by Mr. Basil Barnes [Burns] Duncan for building a railway in Panama beginning at the west side of the Chagres River near its mouth, I have the honor to enclose for your confidential information a copy of a despatch[1] from the American Minister at Panama reporting a conversation recently held with Mr. Duncan.

A copy of your letter of January 22 has been forwarded to the American Minister at Panama.

I have [etc.]

P. C. KNOX.

File No. 819.77/143.

The Secretary of State to the American Minister.

No. 101.] DEPARTMENT OF STATE,
Panama, January 27, 1913.

SIR: The Department has received your No. 287 of the 11th instant, regarding your recent conversation with Mr. Basil Barnes [Burns] Duncan, the holder of a contract for building a railroad in Panama beginning at the west side of the Chagres River near its mouth. A copy of your despatch has been forwarded to the Secretary of War for his confidential information.

In this connection I enclose a copy of the War Department's letter of January 22, stating that it had forwarded the correspondence regarding the matter to the Chairman of the Isthmian Canal Commission with a view to his designating a commission to pass upon the technical merits of the project.

I am [etc.]

P. C. KNOX.

File No. 819.77/144.

The American Minister to the Secretary of State.[2]

[Telegram.]

AMERICAN LEGATION,
Panama, January 27, 1913.

Department's January 21. Commission's report to be forwarded tomorrow recommends disapproval of contract especially on the

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[1] No. 287 of January 11, 1913.
[2] A copy of this telegram was sent to the Secretary of War on January 29.

ground of indefiniteness of its provisions which render impracticable proper consideration of its technical merits.

Panaman President informs me that he will prolong for twenty days session of Assembly.

DODGE.

File No. 819.77/147.

The American Minister to the Secretary of State.[1]

No. 302.] AMERICAN LEGATION,
Panama, January 27, 1913.

SIR: I have the honor to acknowledge the receipt of the Department's telegram of January 21, and, referring to my telegram of January 27, to enclose the report of the Commission appointed to examine the technical merits of the railway contract signed between Señor Acevedo, Panaman Minister of Public Works, and Mr. Basil Burns Duncan on the 30th ultimo and approved by President Porras on the same date.

I may note that every effort has been made to expedite this report on account of the approaching end of the session of the National Assembly. A slight delay was caused by the fact that the Acting Chairman of the Isthmian Canal Commission only received his instructions from the War Department on the 24th instant, and that it was impossible for Lt. Colonel Gaillard and Lieutenant Mears to meet before today.

As stated in my telegram of the present date, I have just been informed by President Porras that he has now decided to prolong the present extra session of the Assembly for a period of twenty days from tomorrow.

I have [etc.]

H. PERCIVAL DODGE.

[Inclosure.]

Report of a board appointed by the Secretaries of State and War to pass upon the technical merits of a contract for the construction of a railway signed by the Panaman Secretary of Public Works and Mr. Basil Burns Duncan and approved by the President of Panama on December 30, 1912.[2]

In accordance with the telegraphic instructions of January 21 and 23, 1913, of the Secretaries of State and War, a Board composed of the American Minister at Panama, a member of the Isthmian Canal Commission and the Chief Engineer of the Panama Railroad met at the American Legation in the city of Panama, at 8:15 a. m., on January 27, 1913, to pass upon the technical merits of a proposed railway contract (in pursuance with the instructions of the above-mentioned telegram). The Board was composed of the following members: the Hon. Percival Dodge, American Minister, Chairman; Lieut. Col. D. D. Gaillard, Corps of Engineers, U. S. A., (designated by the Chairman of the Isthmian Canal Commission) and Lieut. Frederick Mears, U. S. A., Chief Engineer of the Panama Railroad.

The Board carefully considered the said proposed Contract No. 70, between Señor Ramón F. Acevedo, Secretary of Public Works, on the one part, and Mr. Basil Burns Duncan on the other part, which contract was signed on the 30th of December, 1912, by the aforesaid Secretary of Public Works and Mr. Basil

[1] Acknowledged by the Department February 11, with the addition that a copy of the despatch and inclosure had been sent to the Secretary of War for his comment.
[2] This report is not dated.

Burns Duncan and approved on the same date by the President of the Republic of Panama.

The Board finds it impracticable to discuss properly the technical merits of the proposed contract for the reason that neither the location of the main line of the proposed railroad nor the location of any of its branches is shown either in the text or by accompanying maps, Art. 1 of the contract simply specifying that the railroad shall start from the mouth of the Chagres River on the west bank of the same river and run in a direction more or less southwest and that the length of the main line shall be of at least fifty kilometers. This indefinite description is further modified by the statement that the general direction may be changed by the topographic conditions, nor are there any definite stipulations as to the number of tracks, or limiting grade or degree of curvature. The method of construction is not mentioned, nor is any definite terminal point given at the vaguely located southwest extremity of the line.

The contract contains no stipulations as to the quantity or character of the rolling stock to be provided for the operation of said road, nor in regard to station buildings, water tanks, etc., nor does it provide for the submission to the Government of any maps, profiles or plans until eighteen months after the approval of the contract by the National Assembly (Article 13, Para. 2).

So far as the Board has been able to ascertain, there would be little or no business for such a railroad at present in the general locality mentioned and it is therefore presumed that the sole purpose of the project is the exploitation and development of the Government lands as the various sections of the railroad are completed.

The Board is further of the opinion that the sums mentioned in Article 13, Paragraph 4, to be deposited by the contractor are inadequate to properly protect the Government in a contract of this nature, which is so indefinite and where so many necessary details are lacking.

The Board is of the opinion that to comply properly with the requirements of Art. 5, Page 2, would require the expenditure of a sum largely in excess of that needed for the construction of the proposed railroad alone. The Board also notes that no description of the character of the works proposed for the improvement of the mouth of the Chagres River is submitted, as should be done, for the information and protection of the Government.

The Board believes it proper to invite the attention of officials of the War Department to the fact that the proposed terminus of the railroad at the mouth of the Chagres River will be but a few hundred feet from the boundary of the Canal Zone and will afford additional facilities to enable a hostile force to land on the coast to the southwest of this terminus and reach, by means of the railroad and the Chagres River, the locks and dam at Gatún.

The Board has no assurances from evidence furnished it that the contractor possesses the financial resources requisite for the proper prosecution of the work of constructing the railroad. It bases this opinion to a large extent upon the fact that he took over a contract in December, 1910, between Lewellyn Swain and the Isthmian Canal Commission (see page 158, Report of the Isthmian Canal Commission for the fiscal year ending June 30, 1912) for the excavation of certain material in the Canal Prison aggregating, as was estimated, 108,992 cubic yards at 21½¢ per cubic yard, and on May 16, 1912, signified his inability to complete the contract for lack of financial resources. The total amount involved in the contract was less than $25,000 and as monthly payments on same were made for a period of sixteen months, it will be seen that the amount of capital required for this contract was not large.

In order that a project of the nature of that proposed should be intelligently considered as to its technical merits it would be necessary to have definite maps, plans and profiles, accompanied by complete specifications for the construction and final acceptance of the railroad, with accurate description of the rolling stock, water stations, station buildings, etc.

In order to permit any contractor to bid intelligently on a project of this character the Board believes it essential that some means should be provided by which the topographic features of the area in question could be properly determined in advance of the drawing of a contract.

In view of the foregoing the Board has the honor to recommend that this contract be not approved.

H. Percival Dodge.
D. D. Gaillard.
F. Mears.

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File No. 819.77/150.

The American Minister to the Secretary of State.[1]

No. 309.] AMERICAN LEGATION,
Panama, January 30, 1913.

SIR: Referring to my despatch No. 302 of the 27th instant, relative to Mr. Basil Burns Duncan's railway contract, I have the honor to inform you that Mr. Duncan called upon me on the following day and handed me a letter of which the following is a copy:

LAS CASCADAS, C. Z.,
January 27, 1913.

To the Technical Board appointed to examine the Chagres Railroad Contract, Panama.

GENTLEMEN: In the knowledge that you are about to examine, in behalf of the American Government, contract No. 70, drawn up between the Panama Government and myself for the construction of the Chagres Railroad with the exclusive object of developing that part of the country, I desire to inform you that I am willing to alter or suppress any clause in the said contract which may be found to conflict with the interests of the United States.

I trust, therefore, that you will kindly take note of this declaration before coming to any resolution which may be contrary to the carrying out of the above mentioned contract.

Yours very respectfully, B. BURNS DUNCAN.

In reply to his earnest request I then informed Mr. Duncan of the general tenor of the technical Commission's report at which he expressed some disappointment, repeating his willingness to alter his contract in any way desired. He further requested that the Department's decision might be expedited so far as possible as, if he was unable to submit his contract to the present Assembly, he would be obliged to wait for two years until the next session of the Assembly. I assured Mr. Duncan that the Department would not delay its decision any longer than was absolutely necessary.

Señor Lefevre, Minister for Foreign Affairs, has now informed me that there must have been some mistake in President Porras' statement to me on January 8th to the effect that this contract had not then been sent to the Assembly, since it had actually been sent a few days before. Señor Lefevre added that in compliance with my request further proceedings upon it by the Assembly had been postponed pending the receipt from me of information as to the Department's desires.

I have [etc.]

H. PERCIVAL DODGE.

File No. 819.77/153.

The Secretary of State to the American Minister.

[Telegram.]

DEPARTMENT OF STATE,
Washington, February 13, 1913.

The following cable has been received by the Secretary of War from Colonel Goethals:

Referring to correspondence, Duncan's concession for railroad from point near Chagres River: Report forwarded by American Minister. Under proposed

[1] A copy of this despatch and inclosure was sent to the Secretary of War February 12, for his information.

contract a port can be created near mouth of Chagres River, and if sufficient to permit entrance of large vessels, change in plan of defense of Canal will be necessary. This feature and the branch roads that are stipulated are objectionable from military standpoint. The contract also interferes with rights of the Panama Railroad.

GOETHALS.

From this you will perceive that the Duncan contract as it stands is considered objectionable from strategic and other standpoints, and you will therefore direct an appropriate communication to the Minister for Foreign Affairs, referring to the Legation's action on Department's instruction to your Legation of September 20, 1911,[1] and say that under the circumstances this Government considers that the contract should not be permitted to become effective by the Panaman Government.

You will at the same time say that this Government, possessing every desire to assist the Government of Panama in the promotion of the growth, development, and welfare of that Republic, would be glad to approve this contract if it were possible to have it so amended as to meet the views its duty imposes upon this Government and the objections which have been made thereto by your commission and by Colonel George W. Goethals, or to approve any other railroad contract which will not be detrimental to the construction, maintenance, and operation of the canal, matters in which the two Governments should take an equal interest, and which promises to bring about the proper development of the resources of Panama.

KNOX.

File No. 819.77/157.

The American Minister to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Panama, February 24, 1913.

Department's February 13. Minister for Foreign Affairs informs me that in view of the objections of the Government of the United States the Duncan railway contract will be withdrawn from the Assembly.

DODGE.

File No. 819.77/157.

The Secretary of State to the American Minister.

[Telegram.]

DEPARTMENT OF STATE,
Washington, February 25, 1913.

Your February 24. When the contract is withdrawn you will express to the Minister for Foreign Affairs the appreciation by the Government of the United States of the action of the Government of Panama.

KNOX.

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[1] For. Rel. 1912, pp. 1171–1187.

File No. 819.77/158.

The Secretary of War to the Secretary of State.

WAR DEPARTMENT,
Washington, February 26, 1913.

I have received your letters of the 11th and 12th instant,[1] requesting the opinion of this Department upon the proposed Duncan concession for a railroad in the Republic of Panama.

I enclose memorandum from the Chief of Staff upon the subject, which is self-explanatory.

This contract would not only seriously interfere with the military problems involved in the defense of the Canal Zone, but it is believed would interfere with the rights which the Panama Railroad enjoys under its concession.

It is therefore requested that steps be taken by the State Department to prevent its consummation.

HENRY L. STIMSON.

[Inclosure.]

The Chief of Staff to the Secretary of War.

WAR DEPARTMENT, OFFICE OF THE CHIEF OF STAFF,
Washington, February 19, 1913.

THE DUNCAN CONCESSION FOR A RAILROAD IN THE REPUBLIC OF PANAMA.

On December 30, 1912, a contract was signed by Mr. Basil Barnes [Burns] Duncan, an American citizen residing on the Isthmus of Panama, with the Panaman Minister of Public Works for the construction of a railroad, 50 kilometers long, starting from the west side of the Chagres River, near its mouth, and running in a generally southwest direction parallel to the Canal across the continental divide and as far as the lower lock at Miraflores. In addition, such branch lines were to be allowed as might meet the approval of the Government of Panama. This measure was signed on the same date by President Porras and sent to the Assembly with a recommendation for favorable consideration. Action in the Assembly has been suspended at the request of the American Minister pending receipt of the State Department's views in regard to the matter.

A Board was appointed by the Secretaries of State and War to consider the contract, consisting of the following members: Hon. Percival Dodge, American Minister, Chairman; Lieutenant-Colonel D. D. Gaillard, Corps of Engineers, U. S. A.; and Lieutenant Frederick Mears, U. S. A., Chief Engineer of the Panama Railroad.

The Secretary of State refers all papers in the case for the comment of the War Department. In addition to the report of the Board, there is a letter and cablegram, under date of February 8th, from the Chairman and Chief Engineer of the Isthmian Canal Commission.

The Board found that it was impracticable to discuss properly the technical merits of the proposed contract for the reason that neither the exact location of the main line nor that of any of its branches is shown either in the text of the contract or in the maps accompanying same. Such indefinite description as is given is further modified by the statement that the general direction may be changed by the topographic conditions. There are no definite stipulations as to the number of tracks, or limiting grade or degree of curvature. The method of construction is not mentioned, nor is any definite terminal point given at the southwest extremity of the line. The contract contains no stipulations as to the quantity or character of the rolling stock, the station buildings, or the water tanks, etc., nor does it provide for the submission to the Panaman Government of any maps, profiles or plans until eighteen months after the ap-

[1] See footnotes to Mr. Dodge's despatches 302 and 309 of January 27 and January 30.

proval of the contract by the National Assembly. It is the opinion of the Board that there would be little or no business for such a railroad at present, and it is therefore presumed that the sole purpose of the project is the exploitation and development of the Government lands as the various sections of the railroad are completed. The Board furthermore believes that the sums to be deposited by the contractor are inadequate to properly protect the Panaman Government in a contract of this nature. It further asserts that there are no assurances that the contractor possesses the financial backing requisite for the proper prosecution of the work. It bases this opinion to a large extent upon the fact that he took a contract in December, 1910, for excavation of certain material in the Canal prison which he was unable to complete for lack of financial resources. As the total amount involved was less than $25,000, and as monthly payments were made for a period stretching over 16 months, the amount of capital required was not large.

The contract provides for the improvement of the mouth of the Chagres River but contains no description of the character of the work proposed. Colonel Goethals in regard to this feature states that a "deepwater port at the mouth of the Chagres, or anywhere on the line of such a railroad, would threaten the safety of the Canal and would require a modification of the plan of defense and an increased armament." He further believes that the main railroad line would interfere with the rights which the Panama Railroad enjoys under its concession, and that the branch lines stipulated are objectionable from a military standpoint.

Under date of January 27th, Mr. Duncan submitted a letter to the Board in which he offers to alter or suppress any clause in the contract which might be found to conflict with the interests of the United States.

The Board recommends that the contract be not approved. In this opinion Colonel Goethals evidently agrees.

In view of the above facts, it is recommended that the Secretary of State be advised that this contract would seriously interfere with the military problems involved in the defense of the Canal Zone, and that he be requested that steps be taken by the State Department to prevent its consummation.

L[EONARD] W[OOD].

File No. 819.77/158.

The Secretary of State to the American Minister.

No. 108.] DEPARTMENT OF STATE,
Washington, March 7, 1913.

SIR: Referring to previous correspondence on the subject, I enclose for your information a copy of a letter from the Secretary of War, dated February 26 last, with which he forwards a memorandum from the Chief of Staff on the subject of the proposed Duncan Concession for a railroad in Panama.

I am [etc.]

W. J. BRYAN.

File No. 819.77/158.

The Secretary of State to the Secretary of War.

DEPARTMENT OF STATE,
Washington, March 7, 1913.

SIR: I have the honor to acknowledge the receipt of your Department's letter of February 26 last enclosing a memorandum from the Chief of Staff in regard to the proposed Duncan Concession for a railroad in the Republic of Panama.

Copies of your letter and its enclosure have been forwarded to the American Minister at Panama.

I am [etc.]

W. J. BRYAN.

File No. 819.77/160.

The American Minister to the Secretary of State.

No. 360.] AMERICAN LEGATION,
Panama, March 17, 1913.

SIRS I have the honor to acknowledge the receipt of your telegram of February 25th, directing me to express the appreciation of the Government of the United States to the Minister for Foreign Affairs when Mr. Basil Burns Duncan's railway contract was withdrawn from the further consideration of the National Assembly, and to inform you that having on the following day been assured of this by Señor Lefevre, Minister for Foreign Affairs, I expressed this appreciation to him, handing him a memorandum to this effect.

Today I have received from Señor Lefevre a note informing me formally of the withdrawal of this contract "in view of the contents of my communication of February 14th last." I enclose a copy [1] of my communication mentioned which is a paraphrase of the Department's telegram of February 13.

Mr. Duncan has lately called upon me several times and I understand that he will not make any attempt to modify his contract in accordance with the Department's views for the present at least owing to the approaching end of the session of the Assembly. This session has now again been prolonged until the 22nd instant.

I have [etc.]

H. PERCIVAL DODGE.

[Inclosure—Translation.]

The Minister for Foreign Affairs to the American Minister.

FOREIGN OFFICE,
Panama, March 17, 1913.

MR. MINISTER: I have the honor to inform your excellency that my Government, taking into consideration the contents of your esteemed communication of the 14th of the last month, has decided to withdraw from the National Assembly the proposed Contract No. 70, made with Mr. Basil Burns Duncan for the construction of a railway on the Atlantic Coast.

I avail [etc.].

E. T. LEFEVRE.

PROPOSED RAILROAD LEGISLATION IN PANAMA—ATTITUDE OF THE UNITED STATES.

File No. 819.77/142.

The American Minister to the Secretary of State.

No. 291.] AMERICAN LEGATION,
Panama, January 14, 1913.

SIR: Referring to previous correspondence [2] on the subject of the proposed railway from Panama City to David, I have the honor to enclose herewith a copy, as well as a translation which I have made, of a draft for a new law [1] for the construction of this railway, which

[1] Not printed.

[2] For. Rel. 1912, pp. 1167–1206.

has just been sent to me by Señor Arango, Secretary to President Porras. In an accompanying letter Señor Arango states that he sends this copy by direction of President Porras "as a proof of his deference towards me" ("como una prueba de deferencia hacia su persona") and adds that it will soon be submitted to the National Assembly.

It will be noted that this proposed law is for the construction of the Panama-David Railway either as a whole or in sections and re-enacts practically the whole of Law 2 of 1911 under which the recent attempts to construct this line have been made. Under the provisions of this law the contract in question could be granted to a foreign person or corporation.

The construction of this line was advocated by Dr. Porras in his electoral programme and has also been advocated by him since his election.

While adding that I shall keep the Department fully informed regarding this project,

I have [etc.].

H. Percival Dodge.

File No. 819.77/140.

The American Minister to the Secretary of State.

[Telegram.]

American Legation,
Panama, January 19, 1913.

Panaman President is about to submit to Assembly a bill to authorize Executive to determine number of miles of railway to be constructed in the Republic, their location and order of construction; consulting commission of engineers appointed by Executive and contracting for necessary loan guaranteed by requisite revenues. After contracting loan Executive may award contract for work under conditions and specifications determined by it either through public bidding or directly to some responsible person or corporation.

This bill cancels Panama-David railway project reported in my number 291.

As this bill merely confers authority upon Executive in general terms, does Department desire me to request postponement of its submission to the Assembly?

Dodge.

File No. 819.77/140.

The Secretary of State to the American Minister.

[Telegram.]

Department of State,
Washington, January 20, 1913.

Your January 19. Before finally expressing opinion Department desires to examine text of the proposed bill and your report. Meantime it considers that its presentation to Panaman Assembly should be delayed.

Knox.

File No. 819.77/145.

The American Minister to the Secretary of State.

No. 298. AMERICAN LEGATION.
Panama, January 20, 1913.

SIR: Referring to my despatch No. 291, of the 14th instant, and to my telegram of January 19, I have the honor to inform you that I received late on the 18th instant a letter[1] from Señor Arango, Secretary to President Porras, enclosing a copy of a bill "relative to the construction of railways and authorizing the Executive Power to contract a loan" ("Sobre construcción de ferrocarriles y autorización al Poder Ejecutivo para contratar un empréstito"). A copy of this bill and a translation are enclosed.[1] In his letter Señor Arango informed me that this copy was sent to me by direction of the President and that this bill took the place of the one sent to me a few days before, which was reported in my despatch No. 291 of the 14th instant.

Learning that this bill was about to be submitted to the Assembly, I immediately telegraphed its substance to the Department in my telegram of January 19, above referred to. As the bill, however, merely confers authority in the broadest terms upon the Executive to make contracts either by public bidding or directly for the construction of such railways as he may consider necessary, having in view the best interest of the country, and contracting for this purpose the necessary loan, also under extremely broad powers, I enquired in my telegram whether the Department desired me to request a postponement of its submission to the Assembly. Should the bill be passed as now drafted it would seem to furnish ample opportunity for consultation between the Panaman Government and our own regarding whatever action the Panaman Government might propose to take under the authority conferred by it. The Panaman Government might accordingly be informed substantially that in view of the great interest which any action taken under this bill, should it become a law, would have for the Government of the United States, this Government would expect previously to be consulted as to any such action.

I may add that I now learn that this bill has since been submitted to the Assembly and is on the calendar for first reading today.

I have [etc.]

H. PERCIVAL DODGE.

File No. 819.77/151.

The American Minister to the Secretary of State.

No. 310.] AMERICAN LEGATION,
Panama, January 30, 1913.

SIR: I have the honor to acknowledge the receipt of the Department's telegram of January 20, relative to the railways' construction bill, and to inform you that, as directed therein, I immediately addressed a note to Señor Lefevre, Minister for Foreign Affairs, stating

[1] Not printed.

that in view of its interest in the subject of the bill in question my Government desires me to request the Panaman Government to delay for a brief period the presentation of this bill to the National Assembly until my Government had been able to receive the copy of the bill forwarded by me and to give it consideration.

Señor Lefevre has subsequently informed me that although the bill had already been submitted to the Assembly before the receipt of my note, further consideration of it would be delayed as requested. Señor Lefevre added that President Porras had directed him to assure me that no railways which might be constructed under this law would cross Panaman territory from the Pacific to the Caribbean so as in any way to violate the rights granted to the United States under Article V of the Convention of 1903.

I have [etc.]

H. Percival Dodge.

File No. 819.77/148.

The American Minister to the Secretary of State.

[Telegram.]

American Legation,
Panama, February 7, 1913.

Note received from Minister for Foreign Affairs states that second reading of Railways Construction Bill, referred to in Department's January 20, will be postponed as mark of courtesy to the Government of the United States until February 14, and that branches mentioned in bill will be in Los Santos Province and Pacific slope of Chiriquí and will not violate rights of United States under Canal Treaty.

Dodge.

File No. 819.77/154.

The American Minister to the Secretary of State.

[Extract.]

No. 314.] American Legation,
Panama, February 7, 1913.

Sir: Referring to my despatch No. 310 of the 30th ultimo, and to my telegram of February 7, I have the honor to enclose a copy and translation of a note from Señor Lefevre, Minister for Foreign Affairs, dated January 31, 1913. This note is in reply to mine of the 21st ultimo, referred to in my despatch No. 310.

In a conversation last evening with Señor Lefevre, he mentioned this note, casually intimating the opinion that the only ground upon which the United States could properly object to this bill was in case it violated the provisions of Article V of the Canal Treaty. In reply I expressed my surprise to Señor Lefevre and briefly mentioned other possible and proper grounds of objection, referring him to the Department's instruction No. 89 of September 20, 1911,[1] of which a

[1] For. Rel. 1912, pp. 1171–1185.

copy had formerly been furnished to his office under instructions from the Department.

I also enclose, with a translation, a clipping from the "Gaceta Oficial" of the 30th ultimo, which appeared several days later, giving the text of President Porras' message to the Assembly which accompanied, evidently, the former of these railway bills. The message states that the principal reason for the failure of Law 2 of 1911, authorizing the Executive to contract for the construction of the Panama–David railway, was the limitation to ten million dollars gold of the loan which the Executive was authorized to contract for this purpose, this sum being too small.

I have [etc.]

H. PERCIVAL DODGE.

[Inclosure 1—Translation.]

The Minister for Foreign Affairs to the American Minister.

FOREIGN OFFICE.
Panama, January 31, 1913.

MR. MINISTER: In reply to your excellency's esteemed communication No. 295 of the 21st instant, I have the honor to inform your excellency that "the project of law relative to the construction of railways and the authorization of the Executive Power to contract a loan," was submitted to the consideration of the honorable National Assembly on the 14th of the present month. Nevertheless, as a mark of courtesy to the Government of the United States, the project in question will not be debated on second reading before the second week of February.

I avail of this opportunity to inform your excellency that the branches of the railway to David, which are mentioned in the project in question, will be constructed in the Province of Los Santos and on the Pacific slope of the Province of Chiriquí; and none of them will affect in any way the rights acquired by the United States under the Canal Treaty, signed between the Re-Republic of Panama and the United States.

I avail [etc.]

E. T. LEFEVRE.

[Inclosure 2—Translation.]

Message of the President of Panama to the Congress.

HONORABLE DEPUTIES: Law 2 of 1911, of January 2, relative to the construction of a railway from Panama to David, with branches to the Provinces of Los Santos and the town of Antón, remains ineffective, as you know, because the call for public bids for these works which the Government was obliged to make within two months after its approval according to the provisions of Art. 1 of this law gave no results.

And as the construction of this railway is of incalculable benefit for the country and especially for the Provinces which the main line and branches will cross, I consider that the proposal of putting into effect this important project should be insisted upon, endeavoring to suppress in the new law to be passed the obstacles and inconveniences which impeded the effective accomplishment of the former law.

On this account I request the Honorable Assembly, if it thinks proper, to confer upon the Executive as wide powers as possible to construct the railway to David, Los Santos and Antón either through the Government itself or by contract, all together or in sections, endeavoring always to attain the quickest completion of the whole work relatively to the resources which the country can dispose of.

It is reasonable to suppose that one of the most serious obstacles, if not the principal one, which prevented the execution of Law 2 of 1911 was the one relative to the authority given to the Executive for contracting a loan up to

the sum of ten million balboas for the cost of works so difficult and valuable as are those of the railway in question. Careful and prior studies show that an undertaking of such size and technical difficulty cannot be completed with only ten million balboas; and on this account it is indispensable to enlarge the power of contracting the loan up to the amount which may be indispensable for the conclusion of the railway, under the same securities and terms as are contained in the law concerning this matter.

The Executive will begin this colossal work, so advantageous for the Republic of Panama, as soon as it is fully authorized to contract the loan and to secure the construction of these railways either altogether or in sections which will be connected together as soon as the resources of the country allow.

In order to secure these results I place before you Honorable Deputies the accompanying project for a law.

PANAMA, *January 14, 1913.*

The President of the Republic,
BELISARIO PORRAS.

The Secretary for Public Works,
R. F. ACEVEDO.

File No. 819.77/152.

The American Minister to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Panama, February 12, 1913.

My telegram of February 7. Railways construction bill will be considered by Assembly 14th and probably passed next day unless Department desires further postponement. Assembly will adjourn 20th unless session prolonged, as seems probable.

DODGE.

File No. 819.77/145.

The Secretary of State to the American Minister.

[Telegram.]

DEPARTMENT OF STATE,
Washington, February 17, 1913.

Your No. 298 of January 20, 1913. Subdivision D of Article 3 of the proposed general railway law would seem to include the annuity of $250,000 shortly to become payable to the Panaman Government by the United States and the income on the $6,000,000 invested in New York. The Department's position as to the first of these matters has already been made clear to the Legation in its telegram of May 31, 1912.[1] Concerning the second, the Department feels that it is a matter which should be most carefully considered and decided only after consultation between the two Governments. The Department would therefore object to the passage of the law as it now stands and believes that an addition to paragraph D should be included so as to except the annuity and the principal and interest of the money invested in New York. You will earnestly lay this matter personally before the President, and point out that the Department could not consent to appear to be bound by any law such as this if it were to pass, and would be obliged to make formal representations to the Government of Panama concerning it.

KNOX.

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[1] For. Rel. 1912, p. 1203.

File No. 819.77/156.

The American Minister to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Panama, February 22, 1913.

Upon receipt of Department's February 17, I requested interview with the President and at request of Minister for Foreign Affairs sent him paraphrase of Department's telegram. I was not able to obtain interview until this afternoon when Panaman President stated that law in question had passed Assembly February 17 (see my telegrams of February 7 and February 12) and been signed by him February 18, after the receipt of my paraphrase, as he could not then properly modify it. Panaman President expressed surprise at Department's objections in view of telegram from Valdés[1] of 12th stating that Department had no objection to pledge of interest on six millions. With some vexation Panaman President insisted that doctrine that the United States had any right to control employment of annuity and six millions was new and declared that these moneys belonged to Panama to use as she pleased. He considered the six millions should be kept invested. Nevertheless if the United States desired he would agree not to use annuity or interest of six millions for railway construction which would thus probably become impossible for want of funds although Panama needed railways greatly for her development which the United States seemed not really to desire. In reply I explained Department's views as to Panaman finance and railways in the sense of instructions 89, September 20, 1911, and 42, April 8, 1912. Panaman President stated he would send me statement in writing as to attitude of Panaman Government.

DODGE.

File No. 819.77/159.

The American Minister to the Secretary of State.

No. 341.] AMERICAN LEGATION,
Panama, February 24, 1913.

SIR: Referring to my telegram of February 22, I have the honor to enclose a copy of the paraphrase of the Department's telegram of February 17, which I sent to Señor Lefevre, Minister for Foreign Affairs, for President Porras.

I also enclose a memorandum of my interview with President Porras. I have not yet received the statement which he said that he would send me as to the attitude of the Panaman Government. Regarding the statement made by Señor Lefevre at this interview, that he had advised me duly that the proposed general railway construction law would be considered in the Assembly on February 14th, it will be remembered that I informed the Department of this in my telegrams of February 7, and February 12.

I have [etc.]

H. PERCIVAL DODGE.

[1] Minister of Panama to the United States.

[Inclosure 1.]

AIDE MÉMOIRE.

The Government of the United States has instructed the American Minister earnestly to lay the following personally before His Excellency the President of the Republic relative to the "Ley__ de__ sobre construcción de ferrocarriles y autorización al Poder Ejecutivo para contratar un empréstito":

Paragraph D of Article 3, of this bill appears to include the annual payment of $250,000 United States currency, which will soon be payable by the Government of the United States to the Government of Panama, as well as the income of the fund of $6,000,000 United States currency, which is at present invested in the City of New York.

The position of the Government of the United States relative to the former of these matters was made clear in the communication F. O. No. 71 of June 3rd 1912, which the American Minister had the honor to address to his excellency the Minister for Foreign Affairs of Panama, relative to the proposed railway contract between the Panaman Government and Messrs. J. N. Hyatt, H. G. Prescott, and R. Wilcox.

Regarding the latter matter the Government of the United States considers that this is a question which ought to be given the most attentive consideration and determined only subsequently to the consultation together of the Governments of the United States and of Panama. The Government of the United States would accordingly have objection to the bill being passed as it is framed at present and considers that there should be included in it an addition to Paragraph D of Article 3 that will exclude both the interest and principal of the sum of $6,000,000 United States currency, and the annuity of $250,000 United States currency.

The Government of the United States has instructed the Minister to indicate that his Government would be unable to assent to appearing to be bound by any bill of this character in case it should pass and that his Government would feel compelled to address representations of a formal character relative to it to the Panaman Government.

AMERICAN LEGATION,
Panama, February 18, 1913.

[Inclosure 2.]

Memorandum of interview of Mr. Dodge with President Porras and Señor Lefevre, Minister for Foreign Affairs, February 22, 1913.

After Mr. Dodge had explained the Department's instructions, which President Porras had already read from the paraphrase sent to him, President Porras replied that the geographical situation of the towns of Panama required in his opinion a lateral railway, otherwise it would be necessary to have forty short lines running to the coast where the ports would have to be improved, there being practically no natural ones. It seemed to him that it was not the desire of the United States that Panama should construct railways, which were necessary for her development, for except through some guaranty of the annuity or the revenue from the 6 millions it would probably not be possible to obtain the money to build them. He did not see what right the United States had to prevent Panama using these funds which belonged to Panama and which she should be able to use as she pleased. In the past the United States had never attempted to restrain their use. The revenue from the 6 millions had been used for general purposes, often useless ones, yet the United States had never interfered nor even enquired into its use. According to Law 2 of 1911, providing for the construction of the Panama-David Railway, which was still in force, these same funds could be used for guaranteeing a loan, yet the United States had never objected to this law.

Mr. Dodge stated substantially that his Government had many times declared that it desired the development of Panama, that it was prepared to assist Panama to secure this development in every way it properly could, that the United States had no objection whatever to the construction of railways in Panama provided their construction did not interfere with the proper protection of the Canal, in which Panama was as greatly interested as the United States, and provided the plans for their construction appeared advantageous

to Panama from all viewpoints including the financial one. He believed that from the very beginning the United States had shown its interest in seeing the funds which it had paid to Panama only used for the best advantage and permanent benefit of the Panaman people. The terms of Law 2 of 1911 did not seem very clear.

President Porras replied with some vexation that Panama's financial stability was a matter in which both he himself and his Government took the greatest interest, which was apparent by the improvement in the finances since the beginning of his administration. The interest of the United States in the financial stability of Panama was new and could not be greater than his own. He enquired why the United States took this interest and Mr. Dodge replied that it seemed to him to come directly from the fact that the United States had guaranteed the independence of Panama: financial stability was essential to political stability. President Porras then said that although he had no objection to this new interest, he thought it unnecessary in view of his own careful financial management.

President Porras enquired why Panama could not use the annuity and interest of the 6 millions as she saw fit. As to the 6 millions themselves, both he and his advisers were absolutely decided not to touch it. I stated that as to the annuity a sufficient reason was the fact that the Colombian treaties, which theoretically might be ratified by Colombia at any time, made these annuities payable to Colombia for a number of years. As to the interest of the 6 millions he invited President Porras' attention to the communication which he had sent to him which nowhere stated that Panama could not use this interest but that its use was a matter for the most attentive consideration and consultation between the two Governments.

Señor Lefevre asked why the American Government assumed that Panama intended to do anything contrary to the Colombian treaties as it was not stated in the law that these funds were to be used. Mr. Dodge replied that the law as worded appeared to include these funds and that his Government was merely inviting attention to this wording.

Señor Lefevre then stated that he had duly informed Mr. Dodge that the discussion of this law would be postponed until February 14th and that he had heard no objection from the United States to the law until February 18th when the law had already passed. In fact he had received a telegram on February 12th from Dr. Valdés, Panaman Minister at Washington, stating that he had been informed by the Department of State that there was no objection to the employment of the interest of the 6 millions as security. President Porras added that although he had not yet signed the law when he received Mr. Dodge's communication, yet as the bill had originally been presented by him he could not then properly modify it and return it to the Assembly. Nevertheless if the United States did not desire him to use the annuity and interest of the 6 millions to carry out this law, he would not do so; in that case this railway could probably not be built. He would send Mr. Dodge a reply to his aide mémoire which would give the attitude of the Panaman Government.

President Porras then said that he had promised Secretary Stimson while he was here that he would build no railways without consulting the United States; he would fulfill his promise. This law was simply a general enabling law.

During this interview President Porras seemed vexed at the Department's communication, inclined to misunderstand the attitude of the United States and to insist that the United States really had no desire for Panama's development.

File No. 819.77/156.

The Secretary of State to the American Minister.

[Telegram.]

DEPARTMENT OF STATE,
Washington, February 28, 1913.

Your telegram February 22. As outlined in Department's May 31, 1912,[1] this Government would be unwilling to consent to the

[1] For. Rel. 1912, p. 1203.

pledging of future installments of the annuity payable under Article 14 of the Treaty of 1903. From the inception of negotiations first with Colombia and later with Panama it has always plainly appeared to be the intention of the Governments concerned to create by means of the annuity a fund which would assure a permanent revenue for the maintenance of a stable Government on the Isthmus. The permanent investment in New York City of the six million dollars was also provided for a like purpose.

It is obviously the desire of the Government of the United States to see Panama prosper and develop, and it will omit no proper effort to that end, but just as obviously this Government feels bound to caution the Government of Panama against any unwise or ill-advised use of these funds, and this Government is of opinion that it would be imprudent to discount these future revenues of the Republic.

KNOX.

File No. 819.77/162.

The American Minister to the Secretary of State.

No. 372.] AMERICAN LEGATION,
Panama, March 22, 1913.

SIR: Referring to my despatch No. 341 of February 24 last, I have the honor to inform you that I have not yet received the statement which, as mentioned therein, President Porras said that he would send me as to the attitude of the Panaman Government in this matter. Upon referring to this lately to Señor Lefevre, Minister for Foreign Affairs, he stated that the Government were awaiting the return in a few days of Dr. Valdés, Panaman Minister at Washington, in order to question him as to his telegram reporting that the Department of State had no objection to a pledge of the interest of the fund of six million dollars (see my telegram of February 22.)

I enclose in this connection a clipping[1] from the "Gaceta Oficial" of the 4th instant, containing the text of this law as passed by the National Assembly, which it will be noted is identical with the bill, the text and the translation of which were enclosed in my despatch No. 298 of January 20th last. It will also be noted that this law was passed by the Assembly on February 18 and not on February 17, as stated to me by President Porras (see my telegram of February 22), and so would seem not to have been passed when my paraphrase of the Department's telegram of February 17 was received by Señor Lefevre.

I take this opportunity to enclose a copy of the aide mémoire which I handed to Señor Lefevre on the 1st instant, after communicating to him the substance of the Department's telegram of February 28.

I have [etc.]

H. PERCIVAL DODGE.

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[1] Not printed.

[Inclosure.]

AIDE MEMOIRE.

The American Minister stated that he had received a reply from his Government to a telegram which he had sent informing it briefly of the substance of the views expressed by His Excellency the President at the interview which the American Minister had with His Excellency and his excellency the Minister for Foreign Affairs, on the 22nd ultimo.

This reply stated that the American Government obviously entertained the desire that the railways of Panama should develop and prosper and that it would neglect no proper endeavors which might conduce to this result. Just as obviously however the American Government considered that it was bound to caution the Panaman Government against any use of this annuity payable in accordance with Article 14 of the Treaty of 1903 and of the fund of six million dollars invested in New York which might be ill-advised or unwise. It was the opinion of the American Government that the discounting of these future revenues of Panama would be imprudent.

The American Government would not be willing to agree to the future installments of the annuity above referred to being pledged. This was outlined in the American Minister's communication to his excellency the Minister for Foreign Affairs, F. O. No. 71 of June 3rd, 1912. It has always been plainly manifest from the beginning of the negotiations first with the Colombian Government afterwards with the Panaman Government that the purpose of the interested Governments was through the annuity to constitute a fund by which a permanent revenue would be assured for maintaining on the Isthmus a stable Government. A similar purpose was also provided for by the permanent investment of the fund of six million dollars in New York.

AMERICAN LEGATION,
Panama, March 1, 1913.

STATUS AND PROTECTION IN FOREIGN COUNTRIES OF AMERICAN CITIZENS OF CHINESE RACE.

File No. 819.55/16.

The American Chargé d'Affairs to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Panama, August 20, 1913.

Wong Ah Sin, born in California of Chinese parents, proving American citizenship by birth certificate and certificate California residence, and registered in American Consulate General here, protests as American citizen against application in his case of Law 50. Having entered openly since 1904 he is directed to register under the law and threatened with imprisonment and expulsion by September 1st if he does not comply. Local authorities assert law applies to all of Chinese race irrespective of citizenship. I would request telegraphic instructions as to status and protection of American citizens of Chinese race born in California or Hawaii of whom there are a considerable number in Panama.

WICKER.

File No. 819.55/16.

The Secretary of State to the American Chargé d'Affaires.

[Telegram.]

DEPARTMENT OF STATE,
Washington, August 27, 1913.

Your August 20. As the laws of the United States exclude from this country persons of Chinese race, irrespective of their nation-

ality and require all Chinese laborers to be registered, we cannot protest against the Panama Government's likewise applying the provisions of its registration law to all persons of the Chinese race, irrespective of their nationality. See Moore, International Law Digest, volume 4, chapter 7.

BRYAN.

PROTECTION OF CHINESE INTERESTS IN PANAMA; GOOD OFFICES OF THE AMERICAN SECRETARY OF LEGATION.

File No. 704.9319.

The Legation of China to the Secretary of State.

MEMORANDUM.

This Legation is in receipt of cabled advices to the effect that the federal Legislature of the Republic of Panama has passed on its first reading a bill, consisting of thirty-eight articles, dealing with the right of residence of Chinese citizens domiciled in that Republic. Among the most unjust features are:

(1) Chinese residents shall be required to renew their registrations. Those who can not produce evidence of having previously registered shall be liable to a fine of two hundred and ten dollars; and those who have duly registered shall nevertheless be required to pay an additional fee of twenty-five dollars each, under penalty of deportation.

(2) Papers of registration shall be presented every six months to local authorities for examination, each time at a fee of seventy-five cents, under penalty of a fine of ten dollars.

(3) A monthly tax of one thousand dollars shall be levied on each of the Chinese societies or clubs, payment of which shall be for three months in advance. A monthly tax of fifty dollars shall also be levied on each of the Chinese benevolent or protective associations.

The Government of the United States has in the past, at the request of this Legation, permitted its diplomatic officers on the Isthmus to use their good offices for the protection of Chinese interests in that quarter, and this Legation has had several occasions to express to the Department of State its appreciation for these courtesies. In view of the discriminatory nature of the measure above referred to, the enforcement of which can not fail to inflict serious injury on Chinese interests and work great hardship on all classes of Chinese domiciled in that Republic, prompt and energetic action is called for. Therefore, a renewal of the Department's instructions to those officials in this regard will be highly gratifying to the Chinese Government.

LEGATION OF CHINA,
Washington, March 13, 1913.

File No. 819.55/2.

The American Minister to the Secretary of State.

[Telegram—Extract.]

AMERICAN LEGATION,
Panama, March 15, 1913.

A bill has been presented to the Legislature modifying the laws relating to prohibition of immigration of Chinese, Turks, Syrians

and North Africans, but authorizing entry of Chinese under contract. Immigration is prohibited by this bill notwithstanding naturalization in another country. Severe restrictions and heavy licenses are imposed on associations of the foreigners mentioned.

DODGE.

File No. 819.55/3.

The American Minister to the Secretary of State.

No. 359.] AMERICAN LEGATION,
Panama, March 16, 1913.

SIR: Referring to my telegram of March 15, I have the honor to enclose the text of this bill as presented to the Assembly by the Administration. I also enclose a translation of this bill which I have made.[1]

This bill modifies the former laws on the subject of the immigration of persons of these races, except North Africans, that is, Arabs, Egyptians and Moors, whose immigration has not previously been regulated; these former laws are Laws 6 of 1904 and 28 of 1909. Its provisions will be noted to be extremely severe although it is probable that they will be made less so before its passage. It is also very probable that the provision in it as to permitting the introduction of Chinese coolies under contract to labor on plantations will be struck out. Meanwhile there is of course very considerable excitement among the Chinese colony here who are extremely prosperous and number about three thousand in Panama and Colon alone, many of whom have been introduced into the country through the fraudulent complicity of Panaman officials. The Chinese Consul General called upon me lately in this connection and advised me that he had reported on the bill to the Chinese Minister at Washington from whom however he had as yet received no instructions. No doubt that there is a wide-spread feeling among the Panamans that the Chinese, in spite of the present laws, are becoming too numerous here and are absorbing too much of the business.

I have [etc.]

H. PERCIVAL DODGE.

File No. 704.9319.

The Acting Secretary of State to the American Minister.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, March 21, 1913.

The Department is requested by the Chinese Minister to renew its instructions to its officers in Panama to use their good offices in behalf of Chinese subjects affected by the bill pending before the Legislature and dealing with the right of residence of Chinese subjects domiciled in Panama, certain provisions of which the Chinese Minister points out as discriminatory and unjust.

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[1] Not printed.

With the consent of the Government of Panama, and guided by Department's No. 66 of December 4, 1907,[1] you will use your good offices for the protection of Chinese interests as indicated in the request.

ADEE.

File No. 704.9319/3a.

The Secretary of State to the Chinese Minister.

No. 242.] DEPARTMENT OF STATE,
Washington, March 24, 1913.

SIR: Referring to your memorandum of March 13, requesting the Department to renew its instructions to its diplomatic officers in Panama to use their good offices in behalf of Chinese subjects affected by the bill pending before the Legislature and dealing with the right of residence of Chinese subjects domiciled in Panama, I have the honor to inform you that the American Minister at Panama has been instructed to use his good offices, with the consent of the Government of Panama, for the protection of Chinese interests along the lines indicated.

Accept [etc.]

ALVEY A. ADEE.

File No. 704.9319/2.

The Chinese Minister to the Secretary of State.

LEGATION OF CHINA,
Washington, March 27, 1913.

SIR: I have the honor to acknowledge the receipt of your note, No. 242, of the 24th instant, informing me that the American Minister at Panama has been instructed to use his good offices, with the consent of the Government of Panama, for the protection of Chinese interests along the lines indicated in my memorandum of March 13 to your Department.

I beg to express to you my sincere thanks for your kind compliance with my request. This friendly action, I assure you, is most gratifying to my Government and is deeply appreciated by it.

Accept [etc.]

CHANG YIN TANG.

File No. 704.9319/3.

The American Minister to the Secretary of State.

No. 385.] AMERICAN LEGATION,
Panama, March 27, 1913.

SIR: I have the honor to acknowledge the receipt of the Department's telegram of March 22,[2] directing me to use my good offices in accordance with the indications in instruction No. 66 of December 4, 1907, for the protection of Chinese interests in connection with

[1] For. Rel. 1907, part 2, p. 933.

[2] Should read March 21.

the bill pending before the National Assembly dealing with the right of Chinese subjects domiciled in Panama to reside here, and to inform you that I again immediately saw the Chinese Consul General here, Mr. Ow Yang King, advising him of my instructions and requesting him to enumerate his objections to the bill in question. Mr. King did so and I subsequently accompanied him to the Foreign Office where we had two conferences with Señor Lefevre, Minister for Foreign Affairs, and Dr. Morales, Minister of Finance, both of whom stated that my good offices would be entirely acceptable in accordance with the consent thereto of the Panaman Government in its note addressed to this Legation on April 12, 1905 (Despatch No. 131 of April 17, 1905).[1]

After some conversation Señor Lefevre and Dr. Morales stated that the stamp tax payable under Article 7 of the bill by Chinese domiciled in Panama prior to the promulgation of Law 6 of 1904 had already been reduced during the debates in the Assembly from two fourth-class stamps ($25, United States currency) to four third-class stamps ($3, United States currency); they stated that it was unlikely that this reduction would be again increased. They further stated that they would endeavor to have Article 23, paragraph 2, of the bill re-drafted so as clearly to exempt the Chinese Chamber of Commerce from the payment of the tax on associations. In the bill as passed on the 24th instant the stamp tax on the Chinese above mentioned remains at $3 and the Chamber of Commerce is specifically exempted from the association tax.

Señor Lefevre and Dr. Morales also agreed that in accordance with the desires of the Consul General the regulations which were to be issued by the Executive under Article 37 of the bill would provide for the following:

Article 1. It would be made clear in the regulations that this article was to be understood as not excluding the wife and minor children of Chinese duly registered in accordance with Article 7 who might not be in Panama and also as not preventing the return to Panama of Chinese now absent in accordance with the provisions of Article 3 of Law 28 of 1909;

Article 7. It would be provided that the certificate now held by Chinese would be sufficient for the new registration required by this article in the absence of suspicious circumstances; an endeavor would be made to provide in the regulations so that Chinese who were obliged to pay a stamp tax of twenty fourth-class stamps ($250, United States currency) and who were not financially able to do so might be allowed to pay for these stamps or furnish them by installments;

Articles 7 and 14. The registration and inspection of Chinese would take place before the alcaldes of the districts where the Chinese resided instead of before the governors of the provinces, according to a modification made during the debates in the Assembly, except in Panama and the provincial capitals. This would be done by providing in the regulations that the governors should deputise the alcades to perform these functions in these cases. Mr. King greatly desired this provision as many Chinese would be greatly burdened by having to come so often to the capitals.

[1] For. Rel. 1905, pp. 708–709.

Article 14. The regulation applying this article, relative to the inspection every six months of Chinese certificates would be drawn with every endeavor to cause as little annoyance to Chinese as possible.

Finally Señor Lefevre assured Mr. King that he would be allowed to see the regulations before they were signed and given an opportunity for suggesting modifications in them.

During the interview Mr. King stated to Señor Lefevre and Dr. Morales that he considered that both the special tax applicable to Chinese, Turks, Syrians and North Africans and the restrictions which the law placed upon the right of public meeting and association were unconstitutional (Constitution of Panama, Articles 42 and 20). Señor Lefevre admitted that many Panamans had also expressed this opinion but added that probably little satisfaction could be obtained by bringing these questions before the courts.

Mr. King has now expressed himself as greatly gratified at the results obtained through my good offices which he considers will, if the regulations actually conform to the assurances given to me, render the law much less harsh for his people. He stated that he believed (and Señor Lefevre has since confirmed this to me) that the Government were not in favor of this law but that it had been in a way forced upon them by the Assembly which was at present strongly anti-Chinese and desired an even more drastic law.

I have requested Mr. King to inform me if he desired any further good offices from me and I have requested him to give me a statement of his objections to this law which he has now sent me and a copy of which I enclose.[1]

I have [etc.].

H. Percival Dodge.

File No. 704.9319/3.

The Secretary of State to the American Minister.

No. 124.] Department of State,
Washington, April 15, 1913.

Sir: The Department has received your No. 385, of March 27 last, in which you report your action for the protection of Chinese interests in connection with the bill pending before the National Panaman Assembly dealing with the rights of Chinese citizens domiciled in Panama.

Your action is approved.

I am [etc.]

For Mr. Bryan:
Alvey A. Adee.

File No. 819.55/4.

The American Minister to the Secretary of State.

No. 417.] American Legation,
Panama, April 18, 1913.

Sir: Referring to my despatch No. 359 of March 16, and to my despatch No. 385 of March 27, I have the honor to enclose here-

[1] Not printed.

with a clipping from the Gaceta Oficial of the 1st instant, concerning the text of this bill as finally passed by the Assembly (Law 50 of 1913).[1] I also enclose a statement[1] showing the modifications presented by this law from the bill as originally introduced.

From this statement it will be noted that the prinicpal modifications are: The omission of the permission to introduce Chinese agricultural laborers; the substantial reduction, from $25 (United States currency) to $3 of the value of the stamps to be supplied by Chinese proving a domicile in Panama, prior to Law 6 of 1904, in order to obtain re-registration; and the substantial reduction of the tax imposed upon the associations of the foreigners mentioned in this law in the provinces of the Republic. The religious and benevolent associations are to be wholly exempted from this tax instead of being subject to the payment of a tax of $50 according to the original bill. The Chinese Chamber of Commerce will be exempted from this tax as a benevolent association.

I am [etc.] H. Percival Dodge.

File No. 819.55/8.

The American Minister to the Secretary of State.

No. 469.] American Legation,
Panama, June 10, 1913.

Sir: Referring to my despatches Nos. 385 of March 27th and 417 of April 18th last, both reporting as to the recently passed law prohibiting the immigration of Chinese, Turks, Syrians and North Africans of Turkish origin and my good offices for the protection of Chinese interest in connection with this law, I have the honor to inform you that Mr. Ow Yang King, Chinese Consul General, called upon me a few days ago and informed me that he had heard that the proposed regulations for the application of this law were about to be completed. He also showed me a letter addressed to Señor Lefevre, Minister for Foreign Affairs, which he proposed to hand to him, referring to the conferences at which he, Señor Lefevre, Dr. Morales, then Minister of Finance, and I were present, reported in my despatch No. 385, and requesting that certain points which he enumerated might be incorporated in these regulations. I enclose a copy of this letter[1] from which it will be noted that most of these points had already been brought up at the conferences referred to. At his request I accompanied Mr. King to the Foreign Office and expressed the hope to Señor Lefevre that Mr. King's letter would be given full consideration.

About a week later Mr. King again called and gave me a copy of the proposed decree containing the regulations for the application of this immigration law, which he stated had been sent to him by Señor Lefevre. He stated that instead of making the application of this law as easy as possible for the Chinese, as formerly promised by Dr. Morales, the decree made it a great deal harder. In explanation he handed me a copy of a letter, which he had addressed to Señor Lefevre, containing a list of objections to the regulations. I there-

[1] Not printed.

upon again accompanied him to the Foreign Office where he handed this letter to Señor Lefevre, a rather prolonged discussion then following. The substance of this discussion appears fairly clearly in the memorandum of it [1] which Mr. King has furnished to me at my request. From the objections in Mr. King's letter and the memorandum it will be noted that some of the agreements of Señor Lefevre and Dr. Morales, reported in my despatch No. 385, have not been satisfactorily carried out. Certain further changes desired by Mr. King were however agreed to by Señor Lefevre during our discussion and Señor Lefevre also was able to explain certain other provisions of the regulations so that Mr. King admitted that they were practically unobjectionable. Throughout the conversation Señor Lefevre showed the greatest courtesy in discussing Mr. King's objections and appeared to desire to meet them in so far as possible. He finally assured Mr. King that after the regulations went into effect further changes might be made in them if they appeared to be unnecessarily severe. In any case he stated that he would always be ready to attend personally to any complaints brought to him by Mr. King and assured Mr. King that the regulations would be applied fairly and without animosity or any unfriendly spirit.

Mr. King expressed his sincere thanks to me for my good offices, stating that they had materially assisted his endeavors to secure fair treatment for his people.

I have [etc.]

H. Percival Dodge.

File No. 819.55/9.

The American Chargé d'Affaires to the Secretary of State.

No. 473.] American Legation,
Panama, June 18, 1913.

Sir: Referring to Mr. Dodge's despatch No. 469 of June 10th, 1913, and previous correspondence, I have the honor to inform the Department that Mr. Ow Yang King, the Chinese Consul General at Panama, has called upon me twice with regard to Law 50 of 1913, recently enacted, prohibiting the immigration of Chinese, Turks, Syrians, and North Africans of the Turkish race into the Republic of Panama, and with regard to Supplementary Decree No. 44 of 1913, of May 31st, 1913, modifying the above law.

At his first visit Mr. King expressed his regret that no changes had been made in the decree in spite of his efforts and the good offices of Mr. Dodge in presenting the matter before Señor Lefevre, the Minister for Foreign Affairs. Mr. King informed me that the greater number of his people could not pay the registration tax which amounts, in the case of Chinese who have entered the country since the 18th of March, 1904, to $250 United States currency for each individual, and that it meant the ruin of many of the smaller Chinese merchants doing business in Panama unless some modification could be introduced into the law. He reiterated that the decree instead of rendering less severe the law which it was enacted to

[1] Not printed.

modify had made it unbearable; that the tax of $1,000 United States currency per month levied upon the Chinese Chamber of Commerce was excessive, and that the law withdrew from the Chinese their constitutional rights, adding that the more prominent Chinese in this city had intimated to him that the only way to obtain fair treatment would be for the Chinese merchants as a body to close up their shops and refuse to sell goods to any person whatsoever. He thought that such action by affecting the poorer classes of Panamans who deal largely with the Chinese because the latter sell them goods more cheaply than merchants of other nationalities and are, moreover, in the habit of extending credit for several days at a time to their customers, would presently compel the Panaman Government to modify or at least to postpone the actual enforcement of the law. He added that his people were entirely prepared for united action but that he, for his part, was not in favor of resorting to extreme measures until all other means had failed, fearing that the closing of the shops would cause a great rise in prices and lead to disturbances and riots.

Copies of Law 50 of 1913 and of its supplementary decree were printed last week and published together, on a single sheet, but were not for some unknown reason distributed until yesterday. After receiving the printed copies, the Consul General called again at the Legation. He reported a conversation which he had had a short time before with three of the leading wholesale merchants of this city, in which they expressed the uneasiness felt by the entire business community in anticipation of the effect of this new and prohibitive law. It is well known that the smaller Chinese firms doing business with the poorer classes of Panamans in the necessities of life obtain the greater part of their goods from the large wholesale dealers who will be disastrously affected if the Chinese, who control more than 70% of this trade, are compelled to close their shops or eventually be driven from the country. In this same connection, I would mention that this morning the managers of the two leading American banks of this city came to the Legation and explained to me that they had extensive credits with the Chinese both here in Panama and throughout the country in general and were desirous of knowing what was being done with a view toward calling in their loans should it seem likely that the extreme measures now enacted by the Panaman Government would be actually put into effect. They both expressed the hope that the date for the operation of the law might be postponed for at least six months in order to enable the business community to meet the situation without the uncertainties and heavy losses which would otherwise almost certainly occur.

In view of the Department's instruction contained in the telegram of March 22 [1] requesting this Legation to use its good offices with the Government of Panama for the protection of Chinese interests along the lines indicated in the Department's previous instruction, I am prepared to take up with Señor Lefevre the points outlined above, but have so far, at Mr. King's request, refrained from doing so, particularly as it seemed to both of us that the delay in actually publishing the law and its supplementary decree might have been caused by the desire of the Panaman Government to reconsider its provi-

[1] Should read March 21.

sion with a view toward their further modification as well as to determine the possible effect of the measures upon the Chinese. Now that both the law and the decree have been published, I have arranged for an interview tomorrow morning with Mr. King, at which I shall take up with him the advisability of presenting the points above mentioned to Señor Lefevre for his consideration.

I have [etc.]

CYRUS F. WICKER.

File No. 819.55/7.

The American Chargé d'Affaires at Peking to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Peking, June 19, 1913.

I am requested by the Foreign Office to request the good offices of the Department in Panama, where restrictive laws offend the Chinese Government, which desires to know if a modification of those laws is possible, or their suspension until conclusion of a treaty with Panama, where China intends to establish a legation.

WILLIAMS.

File No. 819.55/7.

The Secretary of State to the American Chargé d'Affaires at Peking.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, June 26, 1913.

Your June 19. For some time our Legation has been using its good offices on behalf of the Chinese in Panama. The Department assumes that as the Congress has adjourned until September, 1914, modification of the law is impossible, but will advise the Legation at Panama of the desire of the Chinese Government for suspension of the law pending conclusion of a treaty. If this is not possible the Department will instruct the Legation to use its good offices to obtain regulations not unnecessarily severe.

BRYAN.

File No. 819.55/7.

The Secretary of State to the American Chargé d'Affaires.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, June 26, 1913.

Pending the conclusion of a treaty with Panama and the establishment of a legation in Panama, the Chinese Government desires suspension of the law prohibiting Chinese immigration. If this is impossible, you will use your good offices to obtain regulations in enforcement of the law not unnecessarily severe.

BRYAN.

File No. 819.55/10.

The American Chargé d'Affaires to the Secretary of State.

[Telegram—Paraphrase.]

AMERICAN LEGATION,
Panama, June 28, 1913.

Department's June 26. In an interview yesterday the Minister for Foreign Affairs stated that in view of the Legation's good offices the enforcement of the regulations will be suspended, giving time for further consideration and summoning of a special session of the National Assembly in August, which will probably reduce by one-half the tax of $250 on Chinese entering the country since 1904. Exception to the above will be the immediate enforcement of census and registration of Chinese.

WICKER.

File No. 819.55/11.

The American Chargé d'Affaires to the Secretary of State.

[Extract.]

AMERICAN LEGATION,
No. 475.] *Panama, June 30, 1913.*

SIR: I have the honor to report that since the date of my despatch No. 473 of the 18th instant I have had several interviews with Señor Lefevre, the Minister for Foreign Affairs, as also with Mr. King, the Chinese Consul General. * * * Señor Lefevre assured me that a suspension of the law would be impossible but said that the attitude of his Government was now more lenient as to the enforcement of its more objectionable provisions, the chief of which seemed to be the tax of $250 United States currency levied on all Chinese who had entered the country since 1904. He said that while this tax might not be abrogated or amended without special act of the Assembly, he thought it could be rendered less burdensome by permitting its payment over a long period of time and in installments of $20 to $30 monthly. On my return to the Legation I was informed that the President in the meantime had expressed the opinion to the delegates that although the tax could not be reduced, an extension of time for its enforcement of from eight to ten months might be granted; which if true would indicate that there is still an uncertainty of purpose on the part of the Government with regard to the enforcement of the Law.

On the following day I had a second interview with Señor Lefevre, the result of which I communicated to the Department in my telegram of June 28. * * *

I communicated the result of this interview this morning to the Chinese Consul General who came to the Legation and expressed himself as pleased at the result. He assured me that he offered no objection to the taking of the census of his people or to their registration, except upon certain disputed points, particularly on the ground that the fee of $3.00 United States currency provided for in Art. 7 of the law was an infringement of the constitutional rights of

his people, upon which point he promised to submit objections in legal form.

With regard to the Government's proposal to summon a special session of the Assembly in August, to reduce the tax, the Chinese Consul General assured me that his Government would prefer a suspension of the law as it now stands of from twelve to twenty months to its reconsideration by the National Assembly, even with the certainty of a reduction in the tax and the abrogation of the other objectionable features of the Law, as the former would afford time to his Government for the establishment of a Legation at Panama.

I am therefore prepared to press this matter again with Señor Lefevre if it is considered advisable by the Department, believing, in view of the attitude of the President, that something may be accomplished in this direction; although it seems at present more likely that the Government will try to secure from the Chinese even a smaller amount than was at first anticipated, rather than have the whole matter postponed, thus inviting a possible attack upon the constitutionality of the law or else the establishment of a Chinese legation and the settlement of the matter by treaty. * * *

I have [etc.]

CYRUS F. WICKER.

File No. 819.55/8.

The Secretary of State to the American Chargé d'Affaires.

No. 149.] DEPARTMENT OF STATE,
Washington, July 2, 1913.

SIR: The Department has received Mr. Dodge's No. 469, of the 10th ultimo, reporting his interview, in company with the Chinese Consul General, with the Panaman Minister of Foreign Affairs on the subject of the proposed regulations for the application of the law recently passed by the Panaman Assembly prohibiting the immigration of Chinese, Turks, Syrians, and North Africans.

The Department approves Mr. Dodge's use of his good offices in behalf of the Chinese, and desires that you will continue the same if necessary. In this connection you are referred to the Department's telegram to your Legation, dated June 26, 1913.

I am [etc.]

For the Secretary of State:
J. B. MOORE.

File No. 819.55/11.

The Secretary of State to the American Chargé d'Affaires.

DEPARTMENT OF STATE,
Washington, July 14, 1913.

SIR: The Department acknowledges the receipt of your despatch No. 475, of June 30, 1913, wherein you report on your action in carrying out the instructions contained in the Department's telegram of June 26, 10 a. m. Your despatch has been read with interest and your action, as therein indicated, is approved.

With regard to the Panaman Government's proposal to summon in August a special session of the Assembly to reduce the tax upon Chinese who have entered the country since 1904, the Department notes the statement of the Chinese Consul General that his Government would prefer a suspension of the law as it now stands of from twelve to twenty months to its reconsideration by the National Assembly, even with the certainty of a reduction in the tax and the abrogation of the other objectionable features of the law, as the former would afford time to his Government for the establishment of a legation at Panama. You add that you are prepared to press this matter again with Señor Lefevre, if it is considered advisable by the Department.

It is not the desire of the Department that you further press the question of the suspension of the law with the Panaman Government, as the Department would feel satisfied with the proposed reduction of the tax and the more lenient enforcement of those features of the law considered objectionable by the Chinese.

You are instructed to keep the Department fully informed of any developments in this matter, particularly with regard to the proposed special session of the Assembly in August next.

I am [etc.]

For the Secretary of State:
J. B. MOORE.

File No. 819.55/14.

The American Chargé d'Affaires to the Secretary of State.

[Extract.]

No. 493.] AMERICAN LEGATION,
Panama, August 4, 1913.

SIR: I have the honor to report that I have had several interviews with Mr. Ow Yang King, the Chinese Consul General, and with Señor Lefevre, the Minister for Foreign Affairs, and that I have been fully aware of the delicate position of the Legation in this matter and in the absence of instructions from the Department, have refrained from pressing any of the points raised by Mr. King with Señor Lefevre, but have confined my offices to those of friendly mediation.

As a result of these representations I have obtained nearly all of the concessions desired by Mr. King from the Panaman Government with regard to the eventual enforcement of the law, receiving from Señor Lefevre the assurance that the tax of $250 gold upon the Chinese who may be found to have entered the country since 1904 without legal right to do so, would be reduced by one-half, and that, if necessary, a special session of the National Assembly would be called to effect this change. He also promised me that if this sum were still considered too high the time for paying the tax would be extended for a period of twelve months or more, during which payment could be made by installments. Señor Lefevre also agreed that in making out their application the Chinese would not be required to state by what means, legal or otherwise, they entered the country, but might leave that space blank. He also explained

to Mr. King's satisfaction that where Chinese domiciled in the country prior to 1904 had left the country bearing passports and subsequently returned, this would not be considered an "entry" under the law so as to make them liable to the tax of $250 from which they would otherwise be exempt; and also that wives and children of Chinese domiciled in the country prior to the executive decree of April 15, 1904, would not be included among those subject to the tax provided under Law 50. These and many other points where Law 50 seems to have been badly drawn, I have been able to clear up at personal interviews, and have received from Mr. King frequent expressions of his appreciation and thanks. He has, indeed, lately changed his attitude from one of uncertainty to one of confidence, and has in turn yielded practically nothing, but after consulting with various Panaman lawyers remains opposed even to the taking of a census and registration of his people by the Panaman Government. This is a point on which the Panaman Government is firm and it has been repeated to me several times by Señor Lefevre that if this census and registration are not complied with, as provided for in the law, by the 15th of the present month his Government will take prompt and probably severe measures. Mr. King, on the other hand, on the advice of his lawyers, informed me this morning that his people would exhaust every legal means before complying with the law and this after I had repeatedly urged him to persuade his people to yield the point of allowing the census and registration to be taken.

Mr. King prefers to contest the constitutionality of the entire law and to base his opposition to its enforcement on the ground that for many reasons it is invalid and unconstitutional, and also declares that his people are not treated as on an equality with other foreigners and Panamans, as provided in the Constitution, but are compelled to be registered as a class and to be reregistered thereafter every six months, a procedure which he says opens the way to a continuance of the system of persecution under which his people have suffered so much in the past. Otherwise, he adds, the law might be of benefit to his people in that it clears up once and for all time their right to reside in Panama.

In summary I am of the opinion that there is a strong feeling of obstinacy on both sides and I have endeavored to present the exact point at issue to the Department, emphasizing on the side of the Government of Panama the necessity of having definite knowledge as to the number of Chinese, their occupation, the time and also the authority under which they entered the country, and on the part of the Chinese the fear that by presenting their certificates they will find the same to be invalid and so lose what protection they already possess, being compelled either to pay a heavy tax or be expelled from the country.

In view of the Department's instructions, I have the honor to inform you that I shall use every effort consistent with the exercise of good offices in endeavoring to arrange some further ground of understanding between the Foreign Office and the Chinese Consul General so as to minimize whatever difficulties may be expected on the 15th of this month.

I have [etc.] CYRUS F. WICKER.

File No. 819.55/15.

The Secretary of State to the American Chargé d'Affaires.

[Telegram.]

DEPARTMENT OF STATE,
Washington, August 19, 1913.

Legation at Peking today telegraphs as follows:

The Chinese Government appreciates friendly offices of the United States Government and request further representations to Panama. Objection is made to Articles 7, 14 and 25 of registration regulations making excessive charges for registration, requiring Chinese to report every six months and placing enormous tax upon societies. The principal objection is to reporting every six months.

BRYAN.

File No. 819.55/17.

The Secretary of State to the American Minister to China.

[Telegram.]

DEPARTMENT OF STATE,
Washington, August 22, 1913.

Your August 19[1] was promptly repeated to the American Legation at Panama, which replies as follows:

August 20. Period for registration of Chinese under Law 50 extended until September 1, after which they may be liable to imprisonment or expulsion. So far no Chinese have registered. Panaman Government threatens severe measures, regarding Chinese as wilfully obstinate in this matter.

At an interview this morning the Minister for Foreign Affairs, in reply to my representations, requests me to inform you that the charge for registration is only $3 U. S. gold, barely covering the expenses of preparing the registration papers in triplicate; also that the tax on societies is in purpose a prohibitive tax on gambling institutions. He also assured me, for transmission to the Department and to the Legation at Peking, that when the registration of Chinese is completed the law will be modified so that reporting every six months thereafter will not be compulsory. The special session of the Assembly will be held only after the registration is completed, to take up then the reduction of the tax and the necessary modifications of the law.

BRYAN.

File No. 819.55/14.

The Secretary of State to the American Chargé d'Affaires.

DEPARTMENT OF STATE,
Washington, August 27, 1913.

SIR: The Department has received your No. 493, of the 4th instant, reporting on the subject of the recent Panaman legislation affecting the immigration and residence of Chinese in Panama.

A copy of your despatch has been forwarded to the American Legation at Peking for its information in connection with previous

[1] Quoted in the next above.

telegraphic correspondence between the Department and the Legation on the subject.

I am [etc.]

For the Secretary of State:
J. B. MOORE.

File No. 819.55/19.

[Telegram.]

DEPARTMENT OF STATE,
Washington, August 30, 1913.

The Chinese Consul General at Panama has telegraphed the Chinese Legation here that the Chinese colony believes Law 50 is unconstitutional; that they fear wholesale arrest and deportation, which would cause immense damage and hardship before an opportunity would be given to test constitutionality of the law; and would like this Government to request Government of Panama to allow such test before compelling Chinese to comply with the law.

You may communicate this request by way of good offices to the Government of Panama. The Department has advised the Chinese Legation that this request will probably not be granted, and that it would seem to be advisable to comply with the law and test its constitutionality afterward rather than incur the risk of the application of its penalties before the question of constitutionality can be determined.

BRYAN.

File No. 819.55/18.

The Secretary of State to the American Minister to China.

[Telegram.]

DEPARTMENT OF STATE,
Washington, September 2, 1913.

The American Chargé d'Affaires at Panama telegraphs as follows:

August 30. Panaman Government, acknowledging good offices of this Legation, has directed the governors of the provinces to extend the time for registering Chinese under Law 50 until September 15.

Merchants of Panama have intervened with the Panaman Government on behalf of the Chinese. It now seems possible that the matter will be satisfactorily settled without the Government resorting to force to compel the Chinese to comply with the law.

BRYAN.

File No. 819.55/22.

The American Chargé d'Affaires to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Panama, September 17, 1913.

The Government of Panama has today revoked exequatur of Ow Yang King, Chinese Consul General, on the ground of encouraging Chinese not to comply with Law 50 and thus becoming persona

ingrata to the Government. Period of registration expired September 15 without the Chinese having complied with the law but also without coercive measures as yet on the part of the Government.

WICKER.

File No. 819.55/22.

The Secretary of State to the American Minister to China.

[Telegram.]

DEPARTMENT OF STATE.
Washington, September 19, 1913.

The Legation at Panama reports that the Government of Panama on the 17th instant revoked the exequatur of the Chinese Consul General on the ground of encouraging the Chinese not to comply with the law requiring registration of Chinese. The Legation states that although the period of registration expired September 15 without the Chinese complying with the law, the Government of Panama has not applied coercive measures. Chinese Chargé d'Affaires here advised.

BRYAN.

File No. 819.55/23.

The American Chargé d' Affaires at Peking to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Peking, September 20, 1913.

Your September 19. The Minister for Foreign Affairs to-day in a note asks the Legation to request you to instruct the American Chargé d'Affaires in Panama to assume temporarily charge of Chinese interests there. He states that he is again telegraphing the Chinese Chamber of Commerce in Panama to conform to the requirements of the law and to refrain from further stupid actions.

WILLIAMS.

File No. 819.55/27.

The American Chargé d'Affaires to the Secretary of State.

No. 506.] AMERICAN LEGATION,
Panama, September 20, 1913.

SIR: With reference to my despatch No. 493 of August 4, 1913, and previous correspondence with regard to Law 50, I have the honor to inform you that, as reported in my telegram of August 30,[1] a committee of Panaman merchants called recently on the Minister for Foreign Affairs on behalf of the Chinese to protest against the application of the law, which would in their opinion if carried into effect result in the virtual expulsion of the Chinese colony from the country and have a disastrous effect on trade. They explained to the Minister that over a million dollars in trade and credits would be

[1] Quoted in telegram of September 2 to the Minister to China.

adversely affected by the Government's determination to enforce the law, and requested a change in the Government's attitude with regard to the taxation or expulsion of such Chinese as failed to comply with its provisions.

To this protest a verbal reply was returned; in effect the Government confirmed its intention to take the registration of the Chinese, but promised a reduction from $250 to $125 U. S. currency in the tax levied upon Chinese who had entered the country since the passage of the exclusion act of 1904 and desired to remain. Señor Lefevre added that the Government pledged itself to urge and effect with the Assembly the reduction of the tax to the amount of the first payment, namely $125. In this connection I would refer to my despatch No. 493 of August 4, 1913, and to my subsequent interviews with Señor Lefevre at which I have been repeatedly assured by him that the tax would never amount to more than $125 and that a special session of the Assembly would if necessary be called to effect this reduction.

In his repy Señor Lefevre added that the time within which aliens affected by the provisions of the law might register would be extended until September 20, after which date they would be liable to arrest and imprisonment for non-compliance. Those possessing valid cédulas must surrender them and will be given new ones on paying the registration fee of $3 gold.

To nearly every one of the above points the Chinese have objected, and particularly to the provisions regarding registration. It is, I believe, the determination of the Government to obtain and examine these cédulas, under the guise of registration and probably with a view to taxing the owners of cédulas which are invalid or illegal, and the refusal of the Chinese as a body to surrender to Government officials the cédulas—legal or illegal—which they already possess, issued to them under previous administrations and which at least recognize their presence here on the Isthmus, probably with the same idea that these will be found illegal and they themselves liable to taxation, which has led to the present difficulty.

Up to the present, so far as I am aware, not one of the 2,500 to 3,000 Chinese upon the Isthmus has registered, and the situation is at a complete deadlock.

Part of this difficulty has been caused by the action of the Chinese Consul General, who has asked all of his people to surrender their cédulas to him for examination, and now has the greater number of these in his hands. He states as his reason the desire to take an accurate census of the Chinese, as well as to examine the nature of the cédulas to detect forgeries, but it is possible that he is retaining them in order to prevent the registration of any considerable number of the Chinese, either among the more wealthy, the more timid or the more favorably situated of his people, until some satisfactory arrangement can be made with the Panaman Government. Señor Lefevre has told me that many of the Chinese have informed him that they were ready and willing to register and pay the reduced tax but could not recover their cédulas from the Consul General, and he even showed me a telegram received from Chinese in the interior laying their inability to register to this cause. While in the present state of feeling upon both sides I can not lay much weight

on the validity of the motive which prompted this telegram, it, among other reasons, has caused intense ill feeling between Mr. King and the Foreign Office, and Señor Lefevre has threatened to cancel the Consul General's exequatur.

In the exercise of my good offices I have offered to allow the cédulas, more than 1,400 of which are now in the possession of Mr. King, to be brought to this office and examined here in the presence of the owner of the cédula, a representative of the Government and a representative of the Chinese, and on proof of its validity to certify to the authenticity of the document, my idea being that the owner of the cédula could then present it and register without fear that it would be found illegal. In this way those who possessed valid cédulas and wished to register could do so, to the gradual elimination of those possessing forged or invalid cédulas who could be dealt with later in separate classes. This plan would seem to offer a solution of the difficulty by at least starting the registration of the Chinese in conformity with the law, and has met with the entire approval of the Government but has been refused by Mr. King. An alternative method has been proposed by Mr. King under which certain Chinese would be arrested for non-compliance with the law and under habeas corpus proceedings a test case made which would involve the constitutionality of the law. Apart from the danger of such procedure, the very name of unconstitutionality arouses the anger of the Government, due to the activities of the many Panaman lawyers retained by the Chinese, and the plan has been rejected by the Government.

A further complication has arisen recently on the arrival of the steamer *Acapulco* bringing thirteen Chinese direct from San Francisco to Panama. These were at first not permitted to land, although they bore passports issued by the Government of Panama, and were told that they would have to register, the Government apparently using every effort to get someone to register in order to break the deadlock. On its appearing, however, that their destination was the Canal Zone and not Panama their passports were at length examined and being found correct they were released.

I have the honor to reopen this despatch to report that, as confirmed in my telegram of September 17, direct relations between the Foreign Office and the Chinese Government have been broken off by the revocation of the exequatur of Mr. Ow Yang King. This act has not been unexpected and the reason for the revocation is laid by the Panama Government to the persistent advice given by Mr. King to his people not to register under the law, thus rendering him persona non grata to the Panaman Government.

I have [etc.]

CYRUS F. WICKER,

File No. 819.55/23.

The Secretary of State to the American Chargé d'Affaires.

[Telegram.]

DEPARTMENT OF STATE,
Washington, September 22, 1913.

The Chinese Minister for Foreign Affairs, through the Legation at Peking, asks that you be instructed to assume temporary charge

of Chinese interests in Panama. He adds that he is again telegraphing the Chinese Chamber of Commerce in Panama to conform to the requirements of the law and to refrain from further stupid actions.

As to lending your good offices for the protection of Chinese interests, you are referred to the Department's mail instruction of February 17, 1908,[1] and telegraphic instruction of March 21, 1913.

BRYAN.

File No. 819.55/25.

The American Chargé d'Affaires to the Secretary of State.

[Telegrams.]

AMERICAN LEGATION,
Panama, September 24, 1913.

My appointment in charge of Chinese interests in Panama favorably received by Government and press. The Minister for Foreign Affairs has announced postponement of the application of Law 50 giving time for its full consideration. Fourteen hundred Chinese cédulas today deposited with the Legation for examination and safekeeping. Kindly forward assurance of my appreciation and earnest efforts to the Chinese Minister for Foreign Affairs.

WICKER.

File No. 819.55/28.

The American Chargé d'Affaires to the Secretary of State.

[Extract.]

No. 509.] AMERICAN LEGATION,
Panama, September 29, 1913.

SIR: I have the honor to acknowledge the receipt of your telegram of September 22, informing me that the Chinese Minister for Foreign Affairs through the American Legation at Peking has requested that I be instructed to assume temporary charge of Chinese interests in Panama, and, with a view to my guidance in assuming these duties, referring me to previous mail and telegraphic instructions of the Department.

I have also the honor to refer to my despatch No. 506 of September 20, 1913, reporting the revocation by the Government of Panama of the exequatur of the Chinese Consul-General, Mr. Ow Yang King,

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[1] Not printed in 1908. The instruction is as follows:

DEPARTMENT OF STATE,
Washington, February 17, 1908.

HERBERT G. SQUIERS, ESQUIRE,
Panama.

SIR: I have to acknowledge the receipt of your No. 186 of the 24th ultimo, requesting the Department to furnish you with some specific rule as to when you are permitted to lend your good offices in favor of Chinese subjects residing in Panama.

In reply I have to say that the Department is of the opinion that the published instructions on the subject of representation by our diplomatic and consular officers of the interests of third governments, to be found in the volume of Foreign Relations for 1871, page 28; that for 1872, page 5; and that for 1897, page 1076, are sufficient for your guidance.

I am etc.,

ROBERT BACON,
Acting Secretary.

(File No. 4516/4.)

and the fact that the Chinese in Panama are now without a representative, and also to my telegram of September 24, reporting that my temporary appointment in charge of Chinese interests in Panama has been favorably received by the Government and press and that, out of consideration for my appointment and in order to give me time for a full consideration of the Chinese question from this new point of view Señor Lefevre, the Minister of Foreign Affairs, has announced a temporary postponement in the application of the provisions of Law No. 50, thereby courteously enabling me to deal with this difficult subject with the fullest information available.

I have also the honor to report that on the day following the receipt of the Department's telegram above mentioned I called upon Señor Lefevre and was received by him in my new capacity, and that he expressed the hope that with my intimate knowledge of the situation and my close and friendly relations in the past with himself and with the Foreign Office, a satisfactory solution might be arrived at through my good offices. In reply I stated as confirmed in my Foreign Office note No. 353 of September 23, 1913, a copy of which note I have the honor to enclose herewith to the Department that in assuming these new duties toward the Government of Panama, with a full sense of the responsibility and importance of the questions involved in dealing with the present situation of the Chinese in Panama, I trusted there might be no change in the uniformly cordial and friendly relations which had so far characterized my relations with himself and his Government. To this end I made it clear to his excellency that my position while acting in charge of the interests of China in Panama was entirely distinct from my representative capacity as an official of the United States Government.

Following my interview with Señor Lefevre, I called at once on Mr. Ow Yang King, the former Chinese Consul General at Panama, who also expressed his pleasure that I had been appointed to temporarily take charge of the interests of China in Panama, and promised his cooperation for as long as he remained on the Isthmus in case I should desire to consult with him. He offered also to hand over the archives of the Consulate General and, with the consent of a committee of his countrymen, to whom they had been entrusted, the cédulas mentioned in my despatch No. 506 of September 20, 1913, which still remained in his possession. Having received the archives as a matter of form, and also the cédulas, which I placed in the Legation safe, I addressed a letter to Dr. King and also to the Chinese resident on the Isthmus, informing them of the action of the Chinese Minister for Foreign Affairs and of my acceptance of the charge, and inviting them by delegations or as individuals to call freely at any prearranged hour at the Legation to express their views as to the best means of safeguarding their interests under the present law.

I have taken particular care to inform Dr. King not only verbally but also in this letter, that the cédulas entrusted to me would never under any circumstances be placed at the disposal or examination of any official of the Panaman Government, which is an assurance greatly desired by the Chinese, as they fear that following an inspection of their cédulas, which may be found to be invalid, they will be subject to the tax of $250 under the law.

As I have anticipated for some time past that the Panaman Government might deprive the Chinese of their representative here through the revocation of Dr. King's exequatur and that I might be called upon through my experience with the present conditions to take his place, I have for the last two weeks given my most earnest consideration to this question of the safeguarding of Chinese interests. * * *

To effect some compromise between the Chinese and the Panaman Government, I have decided, with the approval and cooperation of Dr. Ow Yang King, to take, in my capacity as the representative of the Chinese Government in Panama, a registration of all the Chinese here in the Republic of Panama, in a book kept for that purpose, which shall be the property of the Chinese Government and which shall not under any circumstances be placed at the disposal or under the observation of any official of the Panaman Government. This book shall contain the photograph, by way of identification, of each Chinaman registering, attached firmly to the page and sealed with a seal which I am having made, bearing in its center in Chinese characters the words, "Seal of the Republic of China", and around the border the words in English, "In charge of the interests of the Republic of China in Panama". The book will also set forth the name in Chinese, and also in English characters, of the person registering, together with such other facts as he may desire to offer in the way of identification, such as a personal description or thumb marks. At the time of registraton I shall inquire if the person registering possesses a cédula, and if this is the case and it is shown to me, either among those which I now have in my possession or brought by him in person, I shall record in the book the fact that the person registered possesses a cédula.

As these cédulas vary greatly in nature and character, and possibly validity as well, a minute examination and authentication of these would be practically impossible, but it is my opinion that, having registered all the Chinese who possess cédulas, I trust to be able, through my efforts and the exercise of good offices with the Panaman Government, to secure from the latter the assurance that those Chinese who have registered in the book and who are recorded as possessing cédulas issued by any responsible official of the Panaman Government, may be allowed to remain hereafter within the country as of right.

The matter of registration involves considerable expense and a great deal of time. I have, in the absence of instructions from the Chinese Government, already hired the services of a competent stenographer on behalf of the Chinese Government, and will go to such other expenses as may seem necessary, rendering an account therefor to the Chinese Government. In the matter of the registration I shall, in the absence of instructions, charge the same fees as those charged, according to the official statement of Dr. Ow Yang King, by the Chinese Consul General at San Francisco, protecting myself in this way and holding myself accountable to the Chinese Government for their collection.

It may be that this plan as outlined will not result in a successful solution of this present difficulty, but the matter is being placed before the Chinese at a meeting of their people held this evening,

and has received the approval and support of Governor Metcalfe and Judge Feuille, as before mentioned. I would request that in case my efforts on behalf of the Chinese here in Panama, and as the representative of their Government, may be approved by the Department, that the substance of my action to date may, through the kindness of the Department, be telegraphed to the American Legation at Peking for the information of the Chinese Government, in order that I may be supported, if advisable, in carrying through this plan, which seems at the present moment to afford the only practicable solution.

If my knowledge of conditions and experience, through the exercise, for four months, of good offices on behalf of the Chinese, coupled with my acquaintance with the weakness of the position of the Panaman Government and my sense of the justice of the cause of the Chinese, are of value to their people, I trust I may receive instructions as to where I have failed to best protect their interests, and support where I may succeed in upholding their rights, both through the Department of State and the Chinese Minister for Foreign Affairs at Peking.

I have [etc.] CYRUS F. WICKER.

[Inclosure.]

The American Secretary of Legation in charge of Chinese interests to the Minister for Foreign Affairs.

F. O. No. 353.] PANAMA, *September 23, 1913.*

EXCELLENCY: I have the honor to inform your excellency that I have received from the Secretary of State of the United States a telegram informing me that the Chinese Minister for Foreign Affairs through the American Legation at Peking has asked that I be instructed to assume temporary charge of the Chinese interests in Panama, and referring for my guidance to instructions given to a former American Minister to Panama under similar circumstances.

I trust in assuming these new duties toward your excellency's Government and with a full sense of the responsibility and difficulty involved in dealing with the present situation of the Chinese in Panama, that there may be no change in the uniformly cordial and friendly relations that have so far characterized my relations with yourself and your Government.

To this end I would make clear to your excellency the distinction between my position as a representative of the Government of the United States and that while acting in charge of the interests of China in Panama, bearing in mind that the instructions[1] given to Minister Squiers by the Hon. Elihu Root, then Secretary of State, to the effect that when requested to make representations on behalf of the protected interests the American representative should confine his offices to the transmission of such representations without placing himself in the position of acting, while so doing, in the capacity of an official of the United States Government.

I avail [etc.]

CYRUS F. WICKER.

File No. 819.55/26.

The American Chargé d'Affaires to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Panama, October 1, 1913.

Chinese today commenced registering with me in books of the Chinese Republic and presenting their cédulas for personal examina-

[1] See footnote to the Department's instruction of September 22, 1913, ante.

tion. This expression of confidence gives first hope for satisfactory solution of problem. Law 50 suspended pending registration. Chinese in meeting at Panama and Colon request my continuance in charge of their interests at least pending outcome of present plan.

WICKER.

File No. 819.55/31.

The American Chargé d'Affaires to the Secretary of State.

AMERICAN LEGATION,
Panama, October 21, 1913.

SIR: With reference to previous correspondence regarding Law 50 of 1913, prohibiting the immigration of Chinese, Turks, Syrians and North Africans of the Turkish race into the Republic of Panama, I have the honor to enclose you herewith a copy of my Foreign Office No. 2 addressed to Señor Lefevre, the Minister for Foreign Affairs, covering many disputed points which have arisen in connection with the application of this law. This note was instigated by the request of Señor Lefevre himself who asked me to put in writing, in a form requiring written reply, certain questions which are still matters of uncertainty with the Chinese.

The feeling of the entire community, even on the part of those who would naturally object to the presence of the Chinese within the Republic, being opposed to the application of the law, not as a law excluding the Chinese but in the form in which it now stands, I have urged at the close of the note the suspension of the application of the law until the next session of the National Assembly, to be held in October, 1914, when, after a full consideration of all of its provisions, a new law may be passed freed from the objectionable and probably unconstitutional provisions of this one.

The attitude of the Government is now weakening on this point and it is, in my opinion, their unspoken desire to suspend the application of the law until after the opening of the next session of the National Assembly. Their reluctance to state this up to the present is due in part, in my opinion, to a regret at losing the expected opportunity for heavily taxing the Chinese under the present law, and even more, according to the confidential statement of Señor Lefevre, to fear of the opportunity given to the opposition in the next Assembly to attack the Government for weakness, or even of trafficking with the Chinese. It is probable that some method will now be found, probably by taking the matter into the courts, to suspend the law without appearing to do so, and as this is the earnest desire of the Chinese colony here I am lending my best effort in that direction.

As mentioned in my despatch No. 509 of September 29, 1913, I have taken great care at the very beginning to make clear to Señor Lefevre, as well as to the Chinese and to the press, that while in charge of the interests of China in Panama I am acting as a representative of that Government and not in my capacity as an official of the United States Government. I would accordingly request, if it seems advisable to the Department, that the duplicate copy of my Foreign Office note enclosed herewith may be transmitted to the American Legation at Peking for forwarding to the Department of Foreign Affairs of the Republic of China.

I have [etc.] CYRUS F. WICKER.

[Inclosure.]

The American Secretary of Legation in charge of Chinese interests in Panama to the Minister for Foreign Affairs.

CHINESE LEGATION,
Panama, October 10, 1913.

EXCELLENCY: I have the honor to refer to our recent interview with regard to the situation of the Chinese in the Republic of Panama under Law 50 and Decree No. 44 of 1913, and to inform you that the census and registration which I am making of the Chinese within the Republic indicates that all but a very small percentage of these possess cédulas signed by officials of the Panaman Government, authorizing their admission or recognizing their presence within the country. A certain number of these cédulas present difficulties in the way of identification, due in part to errors resulting from local dialects and the plural names of the Chinese. It is of course probable that only the most correct cédulas have so far been presented, and that a few Chinese have no cédulas at all, but their number will be proved definitely only with the completion of this registration.

In the course of the investigations inseparable from this registration I have been brought into closest touch with the Chinese and been made aware of many difficulties, easily explained by your excellency, which are still to them matters of uncertainty and doubt. I have accordingly and at your excellency's suggestion put these in writing in order that through your reply I may receive your excellency's answer in a form suitable for accurate communication to the Chinese.

It appears, following the recent reply of your excellency to the delegation of Panaman merchants, a matter of vital importance to the Chinese in their commercial relations with the Panaman people, as well as with Americans and other foreigners who are creditors of the Chinese to very considerable amounts, that the Chinese receive some assurance that they enjoy constitutional rights within the Republic, and that neither by registering with your excellency's Government, nor by in any other way conforming with the provisions of Law 50, will they lose constitutional rights which they at present possess. Written assurance on this point, however needless it may appear to your excellency, when transmitted through me to the Chinese, will, I feel sure, tend to relieve an existing tension and uncertainty in commercial relations between the Chinese and your own people, as well as with Americans and other foreigners, which are now most unfortunately affected.

A second point which your excellency can easily make clear but which is not yet realized by the Chinese, is that under Law 50 all Chinese who are now in the country in conformity with the provisions of the Law of 1904 and subsequent legislation, and who possess or can prove the loss of cédulas signed by authorized agents of the Panaman Government recognizing their presence within the Republic, shall be allowed to remain permanently as of right, without being subject to further compulsory registration or to the payment of any special tax, and also that these rights will not be affected under future legislation. With this assurance in writing, which your excellency has so frequently expressed to me in person, the position of the Chinese will be no longer uncertain or precarious, and I beg your excellency clearly to express the attitude of your Government on this point in your esteemed reply.

As a third point I would call your excellency's attention to what seems a most important matter in connection with the granting of the new certificates and the surrender of the old. Aside from the constitutional objections, which I am assured by the most eminent lawyers from among your own countrymen exist in regard to the registration of the Chinese as a race, coupled with the payment of a compulsory registration fee, but which objections are at this time more properly a means of defense than matters to be raised at a friendly adjustment of this problem, I would point out that the application blank required to be filled out by the person registering and issued under the law in return for the surrender of the cédula already possessed by that person, fails to assure that person so registering of his right to remain thereafter within the country as a right. This new paper, a copy of which was handed to me recently by your excellency, appears on the contrary to be a mere application blank which when filled out will contain only items of identification and no assurance of the continuance of rights to its possessor. The form, moreover, resembles the identification blanks used in the registration of criminals in for-

eign countries, for which reason it appears most objectionable to those whose registration is thus required. I cannot see that to obtain such a document offers any inducement to the possessor of a cédula to register, and your excellency will, I am sure, consider it a most inadequate exchange to demand of the Chinese the surrender for destruction of cédulas issued by the proper authorities and which bear on their face an authorization to remain in the country in return for a mere paper of identification. I would therefore request from your excellency some assurance, for transmission to the Chinese, that the law will be so modified that upon registration the old cédula will not be surrendered and burned, but marked in some way for indentification and attached permanently to the new application blank. With regard to this document, moreover, I venture to suggest a simpler form, such as that now used in taking my registration of the Chinese for the information of the Chinese Government, namely: photograph of the applicant, firmly attached to the page and sealed; name; customary name; age; height; physical peculiarities; address in Panama; occupation; district of residence in China (which involves the added test of acquaintance with the local dialect); thumbmark. To this should advisedly be added the assurance that the person registering was thereby entitled to remain within the Republic as of right and free from taxation under the present law as well as from special taxation in the future. This would go far to remove a deep-seated feeling of opposition and suspicion with regard to registration which the application blank in its present form seems inadequate to allay.

Moreover the Chinese have come forward willingly at my request to register in the books of the Chinese Republic but are absolutely opposed to registration with your excellency's Government under the present law, objecting, if I understand their attitude aright, not so much to the law, or even to the tax imposed under it, but in the fear that by complying with it in its present objectionable and unmodified form they will lose inherent rights which they would not lose under a law more fully considered and more carefully drawn. Registration also involves considerable expense and a second registration will very possibly raise intense opposition. I would suggest that even this matter might be simplified by taking, with the permission of the Chinese, certified copies of the pages of my registration books in place of a personal registration. This procedure might involve as well an inspection and certification of cédulas, which could be accomplished following some plan which your excellency may be pleased to suggest.

Finally I have received from your excellency assurances not only that the amount of the tax to be levied upon Chinese who are here without legal right but also every matter connected with the application of Law 50 will be brought up before the National Assembly at its next session for approval or disapproval as well as possible modification, in order that the provisions of the law may be made to conform more nearly to the wishes of the people and to avoid at the same time the present constitutional objections. I would accordingly request from your excellency in a form suitable for accurate communication to the Chinese assurances of this intention on the part of your excellency's Government as expressed to me verbally, renewing your promise that the efforts of the Government would be directed to induce the National Assembly to reduce from 250 balboas to 125 balboas the tax on Chinese who may be here without legal right; to discuss a return of the registration fee of three balboas, against which constitutional objection has been raised; and upon broad lines to consider such modifications of the law as a whole as may, following this present full and valuable investigation of all its provisions, be found just and advisable by the National Assembly.

I have in the foregoing paragraphs enumerated at your excellency's request and placed in a form appropriate for written answer the several points raised at our recent interviews and leading toward a satisfactory adjustment of the matters in dispute. I would now go further and outline to your excellency my conviction that the really and only satisfactory and permanent solution of the present situation must lie in placing this whole matter for full consideration and final action in the hands of the National Assembly at its next session. In arriving at this conclusion I have been struck by the variety and weight of the objections raised with regard to the application as well as the constitutionality of the Law No. 50 in its present form. Merchants, bankers, consumers and the press, not only Panamans but also Americans and foreigners, have all commented unfavorably upon this law, not indeed as a law for excluding further immigration by the Chinese, but in its form as it now stands.

In fact I have up to the present heard not a single expression of approval from any person whatsoever with regard to its application in its present form. The obvious dislocation of trade and shortening of credit, the consternation among the poorer classes with whom the Chinese largely deal following the proposal for the expulsion or withdrawal of the entire Chinese colony, and the opinion expressed by the most eminent lawyers of your country that the law is open to attack on constitutional grounds, all merit a greater consideration than was given to the law at the time of its passage by the late Assembly. Your excellency knows best the attitude of your own people on this point and the support which they have already accorded this measure.

I urge this with the more earnestness in view of the well-known conditions under which the present law was passed, namely at nearly the last hour of an extraordinary session of the National Assembly, with a bare quorum of the delegates present and a bare majority to insure its passage, and certainly, although an opportunity was given at earlier readings for a discussion of the law, without that full consideration of all of its provisions which its subsequent importance demands. I feel sure that at a later consideration many points heretofore overlooked would be dealt with and a law passed which would accomplish the purpose of the desired legislation in excluding the further immigration of Chineses without violating the constitutional rights of any class of the community or the best interests of your excellency's people.

This would indeed be a greater achievement than any present application of so disputed a law, and I respectfully urge that before considering the replies to be made by your excellency to the points enumerated above the matter may be laid before His Excellency the President of the Republic with the request that by the exercise of the Executive Power the application of Law 50 may be postponed for further consideration by the next Assembly.

CYRUS F. WICKER.

File No. 702.9319/8.

The Secretary of State to the American Chargé d'Affaires.

[Telegram.]

DEPARTMENT OF STATE,
Washington, November 12, 1913.

Chinese Minister for Foreign Affairs desires following communicated Government Panama:

Minister for Foreign Affairs requests recall of order revoking exequatur of Chinese Consul General Panama; at same time he will depute an official to replace Consul General Ou Yang.

BRYAN.

File No. 819.55/32.

The American Chargé d'Affaires to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Panama, November 13, 1913.

My despatch of October 21. Panama Government having refused to modify essential provisions of Law 50 and subsequent decrees providing for registration and taxation or expulsion of Chinese Colony, the Chinese have unanimously refused to register with the Panama Government, fearing in any compliance with the law a loss of constitutional rights and continued extortionate taxation. Panaman Government has suddenly terminated period of negotiations and sent ultimatum, confirmed at personal interview with the Minister for Foreign Affairs, withdrawing all rights, including those

of liberty and residence, from entire colony if the latter fail to commence registering with the Government within seventy-two hours expiring tomorrow noon. Chinese at large meeting have absolutely refused to comply with the law under present terms.

Immediate cause of crisis appears to be enactment and enforcement of recent Executive Decree No. 72 of 1913 which (1) refuses passports and terminates further rights of residence to any Chinaman leaving the country without having registered; and (2) refuses to permit Chinese now abroad but possessing passports entitling them to return to Panama, commonly issued by the Government and for which Chinese have paid heavy fees, to embark for return to Panama without having appeared before the Panama Consul in the port of embarkation and agreed in writing to register upon arrival. I have protested against this decree as seemingly a retroactive violation of passport or breach of contract.

Panaman Government having failed in efforts to start registration threatens as first step to arrest tomorrow and imprison one hundred of the more prominent Chinese merchants and thus force the remainder to register. I have urged without avail further extension of the time for application of the law, a modification of the proposed measures for its enforcement or in some less provocative way the taking of a test case before the court.

Presence of large number of unemployed in Panama dependent on Chinese for cheap daily food lends importance to probable closing of Chinese shops. American banking and commercial credits with the Chinese amounting to quarter million dollars affected by precarious position of Chinese colony. Please repeat as much as seems advisable to American Legation Peking for the information of Chinese Government and advise action in case of American interests openly affected.

WICKER.

File No. 819.55/34.

The American Chargé d'Affaires to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Panama, November 14, 1913.

Panaman Government has at last moment withdrawn clause conveying ultimatum and reopened negotiations. No arrests made and period of ten days granted to allow further consideration by the Chinese of Government's altered requirements with regard to application of Law 50. Panaman Government offers upon registration the issuance of a new and more satisfactory cédula confirming acquired rights of Chinese.

WICKER.

File No. 819.55/32.

The Secretary of State to the Chinese Chargé d'Affaires.

DEPARTMENT OF STATE,
Washington, November 14, 1913.

MY DEAR MR. CHARGÉ: I have the honor to enclose herewith, for your information and for transmission to your Government, a para-

phrase of a telegram, dated November 13, just received, from the American Chargé d'Affaires at Panama regarding Chinese interests in that country.

I am [etc.]

For the Secretary of State:
J. B. MOORE.

File No. 819.55/31.

The Counselor of the Department of State to the Chinese Chargé d'Affaires at Washington.

DEPARTMENT OF STATE,
Washington, November 15, 1913.

MY DEAR MR. CHARGÉ D'AFFAIRES: I have the honor to enclose herewith for your information and for transmission to your Government, copy of a mailed despatch dated October 21, 1913, from the American Chargé d' Affaires at Panama, regarding Chinese interests in that country.

I am [etc.]

J. B. MOORE.

File No. 819.55/32.

The Secretary of State to the American Chargé d'Affaires.

[Telegram.]

DEPARTMENT OF STATE,
Washington, November 15, 1913.

Chinese Government advised of contents of your November 13 through its Legation in Washington. You will be informed as soon as possible of course which it desires to be pursued.

BRYAN.

File No. 819.55/35.

The American Minister to China to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Peking, November 16, 1913.

The Minister for Foreign Affairs requests further friendly offices of the American Government for the settlement of the difficulty in Panama. The Chinese Consul General there has telegraphed that the Panama Government has replied to the representations of Wicker acting for China that the Chinese are inferior race not entitled to the protection of constitution and that the obnoxious law would be enforced within seventy-two hours. A subsequent telegram reported that one hundred Chinese would be arrested on the fourteenth. The Minister for Foreign Affairs expresses high appreciation of services of Wicker and requests that since he is familiar with the situation he be allowed to continue the negotiations until arrival of another Chinese Consul General at Panama.

REINSCH.

File No. 819.55/37.

The American Chargé d'Affaires to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Panama, November 17, 1913.

My November 14. Panaman Government has ordered, through resolution of the Governor of Province of Panama declared to be authorized under article 18 of Law 50, the arrest, placing at hard labor for six months and final expulsion from the country of ten prominent Chinese merchants, with more to follow unless Chinese colony commences registration with the Panaman Government within the ten days allowed. Regrettable, because Chinese for the moment too excited quietly to consider registration, upon issuance of new and more satisfactory cédula which a week ago they might have accepted, and have closed their shops. Poorer classes feeling effect in rising prices. Rice at four cents, now ten.

Unsigned circular has been issued announcing public meeting tonight to congratulate the Government. Marshal informs me he will attend although meeting disavowed as Government measure. I have called his attention to possible danger of meeting causing unfortunate incidents and warned Chinese to stay indoors, formally disclaiming all responsibility on the part of Chinese Colony and Government for any resulting injury to property of Chinese or foreign interests, and requesting full police protection for Chinese person and property, which has been assured.

WICKER.

File No. 819.55/52.

The Chinese Chargé d'Affaires at Washington to the Secretary of State.

LEGATION OF CHINA,
Washington, November 18, 1913.

SIR: I have the honor to acknowledge the receipt of your notes to this Legation of the 14th and the 15th instant, relating to the Chinese trouble in Panama, and to thank you heartily for the kind interposition of your Government in the matter, of which I will inform my Government without delay.

I now have to advise you that my Government yielding to the desire of the Government of Panama has appointed a new Chinese Consul General to the Republic of Panama, and that he will enter upon his duties at the earliest possible date.

I beg, Mr. Secretary, in continuance of your kind exercise of good offices in the absence of a Chinese representative at Panama, that you will communicate by cable the above action of my Government to that of Panama through the American Minister at that post, and instruct the Minister to urge upon the Government of Panama to suspend further action in the enforcement of the recent regulations respecting the Chinese residents of that Republic until the arrival of the new Consul General, who will be instructed to confer with the

authorities in the spirit of amity and conciliation in the hope of making a satisfactory settlement of the questions which have arisen.

Accept [etc.]

CHANG KANG-JEN.

File No. 819.55/38.

The American Chargé d'Affaires to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Panama, November 18, 1913.

My November 17, and particularly enclosure to my despatch October 21, page 6.[1]

I am convinced, following long talks with Chinese merchants, that the only solution now lies in placing entire matter in the hands of National Assembly either at its regular session next October or preferably in session specially summoned to discuss modifications of Law 50, particularly terms of new cédula and Chinese rights under it with the elimination of certain objectionable paragraphs. New law imperatively needed and National Assembly, with the President, seems alone empowered to alter the acknowledged objectionable features. Chinese colonies in South America now looking to Panama. Deadlock results necessity on the part of Panaman Government unless special session summoned to apply law in unmodified form. Verbal assurances of Minister for Foreign Affairs convinces me all reasonable modifications will be discussed if matter is put in the hands of National Assembly.

In the absence of instructions, I have directed, with the entire approval of Chinese colony, every effort toward this end looking to regular session of National Assembly. Present situation seems to make advisable immediate calling of special session. If this course is approved request from Peking urgent support in this matter.

Please transmit for the information of Chinese Minister for Foreign Affairs and also to Chinese Legation in Washington.

WICKER.

File No. 819.55/39.

The Secretary of State to the American Chargé d'Affaires.

[Telegram.]

DEPARTMENT OF STATE,
Washington, November 18, 1913.

The Department is informed that the Chinese Government, yielding to the desire of the Government of Panama, has appointed a new Chinese Consul General to the Republic of Panama and that he will enter upon his duties at the earliest possible date. The Chinese Government expresses the hope that the Government of Panama will suspend further action in the enforcement of the recent regulations until the arrival of the new Consul General.

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[1] Paragraph beginning "I have in the foregoing paragraphs enumerated, etc."

You may communicate the foregoing to the Minister for Foreign Affairs.

Representations are made to the Department by American merchants that the drastic action of Panama regarding the Chinese is resulting in great disturbance and loss to American commerce.

BRYAN.

File No. 819.55/49.

The American Chargé d'Affaires at Peking to the Secretary of State.

AMERICAN LEGATION.
Peking, November 18, 1913.

SIR: In explanation of the Legation's telegram of November 16, 10:00 a. m., relative to the Chinese difficulties in Panama, I have the honor to enclose a copy in translation of a Note, dated the 15th instant, from the Wai Chiao Pu.

I have [etc.]

E. T. WILLIAMS.

[Inclosure—Translation.]

The Chinese Minister for Foreign Affairs to the American Minister.

FOREIGN OFFICE,
Peking, November 15, 1913.

SIR: I have just received a telegram from the Chinese Consul General in Panama stating that the Secretary of the American Legation in Panama, acting for the Chinese Consul, addressed an inquiry to the Panaman Government in regard to the harsh laws, and that Government replied to him that the Chinese were an inferior race not entitled to the protection of the Constitution, and that these harsh laws would be put into effect within seventy-two hours.

I have the honor to refer to the fact that in September of this year the Panaman Government suddenly withdrew the exequatur of Consul General Ou-yang King on the ground that he was giving illegal protection to Chinese residents in that country.

This Ministry, considering that Panama was laboring under many misunderstandings, was under the immediate necessity of devising some method of straightening out the difficulty and therefore requested that the American Chargé d'Affaires in Panama might act temporarily on behalf of Chinese residents in the conducting of diplomatic negotiations. The Ministry therefore addressed a note to Mr. E. T. Williams, American Chargé d'Affaires, asking him to transmit its request to the American Government to present for it to the Panaman Government the alternative measure proposed by the Chinese Government, consulting with the Panaman Government and stating that the sole object of the measure was the conservation of international amity, in the sense indicated in the telegram received from the Chinese Consul in Panama.

The present action of the Panaman Government in insulting a friendly nation and offering a slight to Chinese residents is highly objectionable. This Ministry is telegraphing instructions to Chargé d'Affaires Chang in Washington to request the aid of the Department of State in settling matters by negotiation with the Panaman Government. But in addition to this action I have the honor to make a renewed request of the American Minister, namely that out of regard for the friendship between the two nations you will telegraph to the American Government conveying the hope of the Chinese Government and requesting it further to extend its friendly offices.

This Ministry lately received a telegram from the Chinese residents in Panama stating that Cyrus F. Wicker, Esquire, Secretary of American Lega-

tion in Panama, is very conversant with the details of this matter and requesting that subsequent to the arrival of the new American Minister Mr. Wicker continue to be entrusted with the sole management thereof. I have the honor to make the comment with regard to this request that ever since Mr. Wicker began acting for the Chinese Consul Mr. Wicker has shown himself most zealous in his attention to this subject, greatly to the gratitude and gratification of the Chinese residents. If, therefore, it would be possible for you to telegraph to the Department of State asking whether it would not be possible to direct Mr. Wicker to continue the direction of this affair until the arrival of the new Chinese Consul, I should be both highly pleased and grateful.

Availing myself [etc.]

SUN PAO KI.

File No. 819.55/40.

The American Chargé d'Affaires to the Secretary of State.

[Telegrams.]

AMERICAN LEGATION,
Panama, November 20, 1913.

The Department's November 12 and November 18. Minister for Foreign Affairs says no objection on the part of the Panaman Government to receive new Chinese Consul General, adding his hope to arrive at some comprehensive solution of difficulty before his arrival. Courtesies, exact nature as yet undefined, will be extended Chinese Consul General Ow Yang. Minister for Foreign Affairs has requested me to communicate to the Chinese promises of his intention to effect modifications, and particularly certain more favorable interpretations of the law, in the near future if the Chinese will commence registering now with the Panaman Government, but that he is unable to state these promises in writing. I have communicated these proposals to their leaders. Chinese at meeting last night considered and finally rejected these proposals, regarding registration of even a few as recognizing the loss of acquired rights of all who possess cédula, and decided to await word from Peking.

Chinses shops universally closed and some distress poorer classes.

I am taking greatest care in following instructions, distinguishing my position in charge of the interests of China in Panama from that of the Secretary of the American Legation, so as not to involve the United States interests. Chinese taking inventories of their goods are depositing these with me for safekeeping in the event of their being deported.

Please communicate American Legation, Peking.

WICKER.

File No. 819.55/42.

AMERICAN LEGATION,
Panama, November 24, 1913.

My November 17. Chinese merchants under order of arrest have taken out writs of habeas corpus against the Government of Panama which have been referred to the Supreme Court, thus directly testing constitutionality of Law 50. Inventories completed. Chinese have opened shops. Situation greatly relieved.

WICKER.

File No. 819.55/43.

AMERICAN LEGATION,
Panama, November 25, 1913.

My November 24. Supreme Court of Panama dismisses writ of habeas corpus, holding that the resolution of the Governor is based on a law the constitutionality or unconstitutionality of which the Court is powerless to determine. Chinese under order of arrest are left in position requiring registration within forty-eight hours or deportation following imprisonment at hard labor. Decision taken by these few will probably determine course followed by entire colony. Large meeting of Chinese called tomorrow night. Instructions from Peking urgently desired.

Personally have advised registration under protest and compliance with the law, calling thereafter upon the Minister for Foreign Affairs to fulfill his verbal promises.

WICKER.

File No. 819.55/44.

The American Minister to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Panama, November 25, 1913.

Supplementing Wicker's November 25. After an audience at which Chinese Consul General, Wicker and myself were present, the Secretary of State for Foreign Affairs agrees to postpone enforcement of Chinese exclusion act until November 27 and to transmit in writing confirmation of verbal promises referred to in enclosure with Wicker's unnumbered dispatch of October 21st as soon as Chinese begin registering; but absolutely refuses further postponement.

It is believed Chinese will decide to register. If not instruction is requested as to extent of further action by Legation.

PRICE.

File No. 819.55/47.

The American Chargé d'Affaires to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Panama, December 3, 1913.

Minister for Foreign Affairs today grants following concessions in writing regarding application of Law 50:

First. Object of law is merely to enumerate the Chinese and prevent further immigration.

Second. Chinese possessing valid cédulas will obtain new ones on the payment of $3 United States gold.

Third. Old cédulas will not be destroyed but will be attached to the new.

Fourth. New cédulas state that they confirm to their possessors the right to reside permanently in the country.

Fifth. Chinese possessing none or invalid cédulas will be expelled, but may remain upon paying one-half of the tax required under the law, that is, $125 United States gold, and giving a promissory note for the balance, which note is payable January 1st, 1915, three months after next meeting of the Assembly.

Sixth. Government agrees to urge with Assembly cancellation of these notes, reducing total tax to $125 United States gold.

Seventh. Those who have lost cédulas may prove residence and acquire new ones for $3 United States gold, upon proof in the proper manner.

Eighth. Certain aged and infirm Chinese may remain unmolested.

These concessions confirming verbal promises, result of long negotiations, received with satisfaction by all. Registration has commenced although under protest. Chinese shops opened and business normal.

Please forward for the information of Chinese Minister for Foreign Affairs.

WICKER.

File No. 819.55/50.

The Chinese Chargé d'Affaires at Washington to the Secretary of State.

LEGATION OF CHINA,
Washington, December 10, 1913.

SIR: I have the honor to acknowledge the receipt of your esteemed favor of the 5th instant,[1] in which you convey to me the welcome intelligence that through the kind intervention of the Legation of your Government in Panama a settlement has been reached of the difficulties of the Chinese residents of that country with its authorities.

I have great pleasure in expressing to you the high appreciation of this Legation with the arduous and patient labors of the American representative in Panama and the successful result thereof, and also to inform you that I have cabled to my Government full details of the terms of settlement obtained by him, which I have no doubt will be accepted by it as a fresh proof of the disposition of the Government of the United States to aid the Republic of China in a time of trouble and embarrassment.

Accept [etc.]

CHANG KANG-JEN.

File No. 702.9319/14a.

The Secretary of State to the American Minister.

[Telegram.]

DEPARTMENT OF STATE,
Washington, December 12, 1913.

Mr. Fong Tsiang Kwang, the new Consul General of the Republic of China at Panama, is now in Washington and is to call upon the

[1] Not printed.

Minister of Panama tomorrow. Meanwhile the Chinese Legation asks the Department to transmit to the Government of Panama the request of the Government of China for an exequatur for Mr. Fong and for customs courtesies on his arrival. Please convey this request to the Minister for Foreign Affairs and telegraph his reply.

BRYAN.

File No. 702.9319/13.

The American Minister to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Panama, December 13, 1913.

Your December 12. Panaman Minister for Foreign Affairs just now replies favorably and says that exequatur will be given new Chinese Consul General upon presentation of proper credentials.

PRICE.

File No. 819.55/50.

The Secretary of State to the Chinese Chargé d'Affaires at Washington.

DEPARTMENT OF STATE,
Washington, December 15, 1913.

SIR: I have been gratified to receive your note of the 10th instant in which you express your high appreciation of the action of Mr. Cyrus F. Wicker, Secretary of the American Legation at Panama, in behalf of Chinese residents in that Republic and the successful result thereof.

The Department has taken pleasure in communicating a copy of your note to the American Legation at Panama for its information and for that of Mr. Wicker.

Accept [etc.]

For the Secretary of State:
J. B. MOORE.

PERU.

MESSAGE OF THE PRESIDENT, GUILLERMO E. BILLINGHURST, TO THE CONGRESS, JULY 28, 1913.

File No. 823.032/10.

The American Minister to the Secretary of State.

[Extract.]

No. 227.] AMERICAN LEGATION,
Lima, August 2, 1913.

SIR: I have the honor to enclose herewith extracts from the message delivered by President Billinghurst to the Peruvian Congress on the 28th day of July, 1913, which includes such topics as may be of interest to the Department.

I have [etc.]

H. CLAY HOWARD.

[Inclosure—Translation.—Extract.]

UNITED STATES OF AMERICA.

At the beginning of the present year the American Foreign Office through its representative here, expressed to our Government its desire to learn the mind of the Peruvian Government with regard to the opening of the Panama Canal and the bearing of that work on the different Peruvian enterprises, as well as our Government's economic policy with respect to the Canal and its influence on the development of our home and foreign trade.

The American Foreign Office also expressed its keen desire to be furnished with a summary of the projects, both municipal and national, for the improvement of our ports and harbors as well as sanitary works.

Our ideas and intentions in this interesting matter were duly communicated to the American Government.

Our Minister at Washington has already visited San Francisco, California, with the object of selecting a site for the installation of our Pavilion at the International Exposition of 1915, which is to celebrate the termination of the Panama Canal.

In view of the positive interest to the solution of the problem of national education, which is the subject to be dealt with at the Congress of School Hygiene to meet at Buffalo in August next, our Government has accepted the invitation tendered it by the United States and appointed as its Delegates, Dr. Luis Miró Quesada, a distinguished Professor of Pedagogy of the University of St. Mark, and Dr. Francisco Graña, Professor of Hygiene of the Faculty of Medicine.

In May last the capital was visited by a distinguished and numerous group of representatives of the Chamber of Commerce of Boston who were received with proper attention and cordiality.

PUTUMAYO AFFAIR.

The region of the Putumayo which, for reasons it would be sad to recall, has given cause for comment and exaggerated alarm both at home and abroad, which have not always been based on facts, has been the object of continual

and preferential attention on the part of the Government, with such success that, thanks to the measures adopted, both judicial and administrative action are widely felt in our river regions within a spirit of order, of guaranties, and the tranquillity so peremptorily required.

In order to obtain the practical and immediate results aimed at by the various measures taken for the evangelization and civilization of the tribes of aborigines which are still to be found in a savage state in that section of our territory, the Government is engaged in securing for those regions the most appropriate and efficacious ecclesiastical administration so that the same may be felt in the most positive manner and in harmony with the national patronage and the sovereign rights of the Republic.

The Government, in its lively desire to carry out the dictates of justice, and interested as it is in maintaining the good name of the Nation, has endeavored at all times to facilitate the prosecution of the trial which was instituted in consequence of the criminal acts committed in the rubber regions of the Putumayo, in order that the punishment of the law shall fall on the guilty parties. For that purpose the Government has given to the judicial functionaries all the guaranties necessary for the accomplishment of their duties and at the same time has appointed to hold the public offices men of fitting, honest and energetic character who shall consolidate a régime of morality and the supremacy of the law in that part of our territory.

The result so far obtained is completely satisfactory as proved by the rapid and effective action of justice and the public tranquillity which reigns in those districts.

Alarm and uneasiness have therefore disappeared which might affect the prestige of the Nation with regard to the crimes of a purely individual character perpetrated in former years which have given to the foreign press a theme on which to deal harshly with Peru, without bearing in mind events which have recently happened in regions which are much nearer to the centers of civilization.

PERU-ECUADOR BOUNDARY DISPUTE.

[Summary.]

The questions at issue in connection with the Peru-Ecuador boundary[1] have been taken up by the two Governments at some length and in a spirt of the greatest cordiality. The Government of Peru is in accord with the suggestion made by the Mediatory Powers in 1910, that the question be brought before The Hague for settlement. A bulletin issued by the Ministry of Foreign Affairs deals at considerable length with the results of the various conferences, as well as with the deplorable happenings on the Morona river.

ARREST, IMPRISONMENT AND DEPORTATION OF EX-PRESIDENT AUGUSTO B. LEGUÍA; OFFER OF ASYLUM AT THE AMERICAN LEGATION AND COURTESIES EXTENDED TO HIM BY THE UNITED STATES AT PANAMA AND NEW YORK. RECOGNITION BY THE PERUVIAN GOVERNMENT OF THE RIGHT OF A POLITICAL REFUGEE TO SEEK AND BE ACCORDED ASYLUM AT THE LEGATION OF A FOREIGN COUNTRY.

File No. 823.00/104.

The American Minister to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Lima, July 25, 1913.

A mob yesterday surrounded the house of the President of the Senate and another took possession of the Senate Chamber. The cause is said to be the recognition on July 23 of the credentials of an

[1] See For. Rel. 1912, p. XI; and this volume, infra.

anti-administration Senator. The President, Mr. Billinghurst, is said to have inspired both attacks, in an alleged determination to prevent Congress from convening because a majority of each House is against him.

Last night ex-President Leguía telephoned me that his residence had been attacked by a mob for three hours and was defended by only six men. He asked for and was offered asylum at the Legation in protection of innocent human life if he could make his escape. He and his son[1] were arrested later, and this morning at 2.30 they were placed in the penitentiary. Two of the mob were killed and several wounded.

Doubt as to the constitutionality of President Billinghurst's election and his alleged pro-Chilean sympathies have aroused extreme opposition and his deposition by Congress is freely predicted. The Civilista (Leguía) party controls both Houses, and Leguía's brother,[2] who is First Vice President, would succeed to the Presidency.

Both Houses meet to-day preliminary to the regular session on July 28, and trouble is predicted.

HOWARD.

File No. 823.00/104.

The Secretary of State to the American Minister.

[Telegram.]

DEPARTMENT OF STATE,
Washington, July 29, 1913.

Use whatever influence you properly can to protect the life of ex-President Leguía. Say to the President that our deep interest in the welfare of Peru leads us to express the hope that any differences which may have arisen in that country will be settled by peaceful means and legal processes.

BRYAN.

File No. 823.00/105.

The American Minister to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Lima, July 31, 1913.

Your July 29. Vice President Leguía has been given asylum by the Italian Minister, who informed the Foreign Office on July 26 of the rumored attempt on the life of ex-President Leguía, who is still a prisoner. The representations of the Italian Minister were supported by the British and Brazilian Ministers and my own, asking for an ample guard. The Under Secretary of State assured me later that he had communicated these representations to the President. No attempt has been made on the life of the ex-President and indications forecast temporary quiet.

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[1] Augusto Leguía, Jr. [2] Roberto Leguía.

The President is alleged to be the author of all the violence. The delicacy of the situation is aggravated by his announced inaccessibility as he distrusts his surroundings, but I hope for a personal interview.

HOWARD.

File No. 823.00/105.

The Secretary of State to the American Minister.

[Telegram.]

DEPARTMENT OF STATE,
Washington, August 2, 1913.

Gratified that you are actively interesting yourself for Leguía's safety. It would be a grave misfortune should political differences result in violence.

BRYAN.

File No. 823.00/111.

The American Minister to the Secretary of State.

[Extract.]

No. 228.] AMERICAN LEGATION,
Lima, August 3, 1913.

SIR: Following my cablegrams of July 25 and July 31, I have the honor to report further upon the subject of the attack by a mob upon the residence of ex-President Leguía on the night of July 24, 1913, as well as to briefly narrate the political situation as viewed by the followers and opponents of President Billinghurst. * * *

A few days prior to the regular convening of Congress on July 28 each House sits to pass upon the credentials of new members, the officers still presiding until the election of their successors by the new Congress. On July 23 the credentials of an anti-Billinghurst Senator were recognized by the President of the Senate, after his election had been contested and decided in his favor by the Supreme Court. The President is reported to have resented this action on the ground that this Senator opposed the terms of the Government's proposition for settling the Tacna-Arica question with Chile. A crowd of two or three hundred people, as reported, created much disorder before the Senate Chamber. That night an effort was made to dynamite the residence of the President of the Senate. The next day a mob surrounded his residence and prevented his leaving it, and another took possession of the Senate Chamber. It was on that night that the house of Mr. Leguía was attacked, about 6.30 o'clock. * * *

The ex-President continues a prisoner at the penitentiary but will be allowed from yesterday to receive visitors. Rumors of both extremes are: that he will be exiled from the country, or will be given freedom if he will promise to leave the country, which he refused to do; on the other hand, that he will be given his freedom unconditionally in a day or two, for want of any proof against him, or will be given a trial, charge not known. * * *

I have [etc.].

H. CLAY HOWARD.

File No. 823.00/105.

The Secretary of State to the American Minister.

[Telegram.]

DEPARTMENT OF STATE,
Washington, August 4, 1913.

Your July 31. Cable statement of exactly all you have done to prevent violence to the person of ex-President Leguía and his son. The Department desires that you leave undone nothing you can properly do to save the lives of these gentlemen and of the Vice President. Interview the President before reporting.

BRYAN.

File No. 823.00/107.

The American Minister to the Secretary of State.

[Telegrams.]

AMERICAN LEGATION,
Lima, August 5, 1913.

Your August 4. The general opinion, corroborated by Billinghurst supporters, is that the ex-President will soon be unconditionally released. His son and brother are now at liberty. Representations have been made at the Foreign Office and among the Diplomatic Corps for concerted action. Application for an audience with the President remains unanswered, but an early interview was promised yesterday at the Foreign Office.

HOWARD.

File No. 823.00/108.

AMERICAN LEGATION,
Lima, August 8, 1913.

The President has assured me that he would take every precaution to safeguard the life of ex-President Leguía, saying that he had sent him to the penitentiary for safety. Attitude is one of disclaimer of mob's action. Charge preferred grows out of proceedings on the night of the 24th. He said that friends were trying to induce the ex-President to go abroad.

HOWARD.

File No. 823.00/109.

AMERICAN LEGATION,
Lima, August 10, 1913.

Ex-President Leguía, accompanied by his son, sailed for Panama this morning.

HOWARD.

File No. 823.00/109.

The Secretary of State to the American Chargé d'Affaires at Panama.

[Telegram.]

DEPARTMENT OF STATE,
Washington, August 11, 1913.

Ex-President Leguía of Peru will arrive at Panama in two or three days. Extend courtesies to him. Communicate to Canal authorities.

BRYAN.

File No. 823.00/113.

The American Minister to the Secretary of State.

[Extract.]

No. 231.] AMERICAN LEGATION,
Lima, August 19, 1913.

SIR: Supplementing the Legation's No. 228 of August 3, 1913, and the cablegrams of July 25, July 31, August 5, August 8 and August 10, concerning the attack by a mob upon the residence of former President Leguía, his subsequent arrest and imprisonment, and finally his deportation from the country, I have the honor to report additional details, as well as upon the present political conditions.

I have been favored by the Italian Minister with a copy of his note addressed to the Foreign Office, dated July 25, 1913, informing the Peruvian Government that Vice President Roberto Leguía had taken refuge, and been given asylum, in that Legation on that day. It will be noted that such asylum was sought the same night on which the residence of the former President was attacked. The French Minister also informed me that another brother, Carlos Leguía, Vice President of the Senate, had asked for, and been offered, asylum in the French Legation, provided he found that the necessity therefor should exist.

The Peruvian Foreign Office replied to the Italian Minister on July 29 stating that no order for the arrest of the Señor Leguía in question had been issued. It was then that the latter left the Italian Legation. I have learned that the Italian Minister, in addition to writing the Foreign Office, personally asked for and was furnished a guard of half a dozen soldiers, who were placed within the Legation residence.

I have sought this information because it will preserve written evidence of the recognition by the Peruvian Government of the right of a political refugee to seek and be accorded asylum in the legation of a foreign country, which may prove of value in the future and serve as a precedent.

Concerning the departure of ex-President Leguía, as reported in the Legation's August 8, and supplementing statements there made, there has been no positive obtainable information as to the exact terms of his departure. President Billinghurst said to me in the

first interview after the mob's attack that Mr. Leguía's friends were trying to induce him to go abroad. He said he was perfectly willing that the trial upon the charge growing out of the night of July 24 (he did not name the charge) should be postponed, and that Mr. Leguía should go abroad under bond, but that he demanded a previous hearing or that such charge be dismissed. The President added that he was perfectly willing that he be set free, but he said: "I can not be responsible for his safety." He further said that Mr. Leguía had acted hastily in firing upon the mob, etc., and his attitude was that of an observer of passing events. From the fact that Mr. Leguía was accompanied by Señor Gabriel Bernales, a Comisario of the sixth district, which includes the Leguía residence, and also by the Minister of Government and Police, Colonel Gonzalo Tirado, it would seem that his departure was a deportation from the country rather than upon any agreed terms.

On yesterday the papers announced that Vice President Roberto Leguía had sailed for Valparaiso under an assumed name on the 14th instant. * * *

I have [etc.]

H. Clay Howard.

File No. 823.00/110.

The American Chargé d'Affaires at Panama to the Secretary of State.

[Telegrams.]

American Legation,
Panama, August 20, 1913.

The Department's August 11. Ex-President Leguía of Peru arrived yesterday. I have informed Canal Zone authorities. Met and escorted Leguía to hotel. He expects to remain about two weeks, sailing via Jamaica for New York and Europe.

Wicker.

File No. 823.00/112.

American Legation,
Panama, September 9, 1913.

Ex-President Leguía of Peru, with sons José and Juan, sailed today steamer *Tenadores* for New York, arriving September 16.

Wicker.

File No. 823.00/112.

The Secretary of State to the Secretary of the Treasury.

Department of State,
Washington, September 11, 1913.

Sir: I have the honor to inform you that ex-President Leguía of Peru and his sons, José and Juan, will arrive at New York City on or about the 16th instant, per the S. S. *Tenadores*, and to request that you will cause the Collector of Customs at New York City to extend to them such courtesies and free entry privileges as may be permissible under the customs regulations.

I have [etc.]

For the Secretary of State:
Alvey A. Adee.

File No. 823.00/—.

The Consul General of Peru at New York to the Secretary of State.

CONSULATE GENERAL OF PERU,
New York, September 12, 1913.

SIR: Having been chosen by the Peruvian Colony in New York City to represent it upon the arrival of ex-President Augusto B. Leguía, I would beg the favour of being allowed, with two members of the said colony, to meet the s. s. *Tenadores* of the United Fruit Line, upon which vessel Mr. Leguía will arrive, at quarantine.

One of my companions will be Mr. Eduardo S. Leguía, brother of the ex-President, who arrived yesterday from Europe; the other has not yet been designated, since I have only learnt that Mr. Leguía changed his plans at the last moment, deciding to take the *Tenadores* instead of the *Tivives*, upon which last boat it was expected he would sail.

The *Tenadores* is due to arrive here on Monday, so I would esteem it a great favour if instructions were wired to the authorities here, at my expense, permitting us to take the tug which meets the vessel at quarantine; otherwise I fear it will be too late.

In conclusion I am desired by the Peruvian Colony here to express to you, in addition to our anticipated thanks for this favour, our sincere gratitude for the courtesy with which Mr. Leguía was received at Panama by the representatives of the United States owing to the instructions received from you.

I have [etc.]

J. PAREDES.

File No. 823.00/—.

The Chief Clerk of the Department of State to the Consul General of Peru.

[Telegram.]

DEPARTMENT OF STATE,
Washington, September 15, 1913.

Referring to your letter September 12, Department has asked Treasury to issue permit for yourself, Mr. Leguía and another gentleman to proceed on revenue cutter to quarantine to meet *Tenadores*.

BEN G. DAVIS.

BOUNDARY DISPUTE BETWEEN PERU AND ECUADOR. REQUEST OF PERU FOR ARBITRATION THEREOF THROUGH THE MEDIATION OF THE UNITED STATES, ARGENTINA AND BRAZIL.[1]

File No. 722.2315/589.

The American Chargé d'Affaires at Quito to the Secretary of State.[2]

No. 207.] AMERICAN LEGATION,
Quito, May 9, 1913.

SIR: The Department has doubtless been informed by the Legation in Lima of the recent massacre of the Peruvian garrison at the

[1] Continued from For. Rel. 1911, pp. 177–186. [2] Acknowledged August 11, 1913.

junction of the Morona and Cagimina Rivers[1] in the Oriental region, by the Jíbaros Indians.

The Government of Ecuador has taken occasion to protest formally to the Government at Lima on account of the presence of Peruvian troops in this locality, claiming that the territory in question is within the limits of Ecuador, and has requested that the Peruvian troops be withdrawn.

To this note the Peruvian Government instructed its Chargé d'Affaires in Quito to reply verbally to the Ecuadorian Foreign Office as follows:

1. The Morona River district is regarded by the Government of Peru as Peruvian territory.
2. Ecuador has no right to protest against the Peruvian occupation of this locality because Ecuador has failed to comply with the conditions of the Treaty of 1887, which provided for submitting the boundary dispute between Peru and Ecuador to the arbitration of the King of Spain.
3. The Peruvian Government declined to withdraw its troops.

I am informed that since the attack by the Indians above mentioned the Peruvian garrison at the junction of the Morona and Cagimina Rivers has been increased by three hundred men.

I have [etc.]

RUTHERFORD BINGHAM.

File No. 722.2315/586.

The American Minister to Peru to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Lima, May 17, 1913.

The President invokes mediating powers in settling minor issue, hoping to secure arbitration of boundary dispute, as Ecuador now reported favorable. Indians recently killed nineteen Peruvians near the Morona. Of 100 sent, 30 [Peruvian] soldiers remain and Ecuadorian Minister asks their withdrawal because a violation of the status quo of the mediation. President [of Peru] says he would voluntarily withdraw soldiers but not on request, because of admitting a right to demand it. Ecuadorian Minister is submitting matter to his Government, as are Legations of Argentina and Brazil.

HOWARD.

File No. 722.2315/586.

The Secretary of State to the American Minister to Peru.

[Telegram.]

DEPARTMENT OF STATE,
Washington, May 19, 1913.

Repeat your May 17 to Quito, with instruction to ascertain discreetly the views of Ecuadorian Government, and report to Department by cable.

BRYAN.

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[1] Between 77° and 78° W. Long. at about 4° N. Lat.

File No. 722.2315/586.

The Secretary of State to the American Minister to Ecuador.

[Telegram.]

DEPARTMENT OF STATE,
Washington, May 26, 1913.

Department desires report from you as to Howard's May 17 regarding mediation, which he was instructed to repeat to you.

BRYAN.

File No. 722.2315/587.

The American Minister to Ecuador to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Quito, May 27, 1913.

Department's telegram May 19 to Peru. I have had a long interview with Dillon, Acting Minister for Foreign Affairs. He believes there must be a mistake in the telegram from Lima, as he understands that the President of Peru wishes the Ecuadorian Government to ask for withdrawal of troops whose presence is regarded as a violation of status quo, which demand would give him sufficient excuse for withdrawal.

Regarding general boundary dispute, Minister said positively that Ecuador could never allow such an important matter, involving its very life, to be submitted to The Hague, but that his Government was prepared at any time to take up direct settlement and to appoint a plenipotentiary to meet a Peruvian plenipotentiary in any American capital, preferably Washington. He much appreciated, as did the Ecuadorian people, the good offices of the United States.

SCHUYLER.

File No. 722.2315/588.

The American Minister to Argentina to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Buenos Aires, June 5, 1913.

The Minister for Foreign Affairs today requested the Brazilian Minister and myself to come to the Foreign Office, where he said that the Ecuadorian Minister at Santiago had made the following statement to the Argentine Minister there:

Since the defeat suffered by a Peruvian force attacked by Jíbaros [Indians], Peru has entered into military occupation of Morona, violating by this act the status quo of 1910.

The Government of Ecuador has protested energetically, requesting the recall of the Peruvian troops.

The Peruvian Government in reply requests that the solution of this incident be submitted to the Mediators.

The attack of the Jíbaros took place in territory not disputed by Peru,[1] and it is an established and proven fact that it was provoked by Peruvian soldiers who pillaged the Jíbaros cabins and violated women.

The Ecuadorian Government wishes to know whether the Mediators are resolved upon requiring from Peru respect for the status quo of 1910, for otherwise if Peru shows herself irreducible Ecuador will appeal to force of arms, declining all responsibility for what may happen to Peru.

Doctor Bosch added that he thought the three Powers should study the matter, and desired your views. I request instructions.

GARRETT.

File No. 722.2315/593.

The Chargé d'Affaires of Ecuador to the Secretary of State.

[Not a translation.]

LEGATION OF ECUADOR,
Washington, June 5, 1913.

MEMORANDUM.

MR. SECRETARY: Ecuador has just been invaded by regular Peruvian troops in the section of the Morona River, the dominion of which Peru has never disputed from Ecuador,[1] as it is clearly demonstrated by the processes upon the boundary dispute between the two countries.

Ecuador has protested at this irritating military occupation and is ready to revindicate its territorial rights by force, if necessary.

Peru has accepted without reserve and has adhered to the Program of Peace suggested by your excellency to avoid future wars; and I believe this is a good opportunity to show to the world the practical results of that program.[2]

Ecuador, realizing the importance of the Peace Program which your excellency proposed to the nations of the world, has only protested at the unjustified act of invasion effected by Peru, and the Ecuadorian Government cherishes the hope that your excellency may intervene in this regrettable incident which has occurred in the very moment that Peru has made a solemn declaration to adhere to the Program of Peace of your excellency, so enthusiastically received by the whole world.

On the basis of the immediate withdrawal of the troops of Peru from the Morona River, Ecuador would be ready to accept the good offices of the United States of America to settle the incident. This does not mean that Ecuador recognizes or will recognize any right whatsoever of Peru to consider the incident of the military occupation of the Morona River as a principal issue in the boundary controversy that must be carried out and settled directly between the two countries.

Ecuador wants peace, and does not consider that the acts of hostility of Peru against Ecuador are consistent with Peru's declaration of endorsement of your excellency's Peace Program. These

[1] Compare with point 1 of the statement of the Peruvian Chargé d'Affaires as reported by Mr. Bingham in his despatch of May 9, ante.

[2] See p. 8.

acts of hostility on the part of Peru will be productive of bad results as they will place the two countries on the verge of war; and if your excellency wishes to give his attention to this important subject it would afford your excellency an opportunity to render an invaluable service to the noble cause of peace in our continent; and, impressed by this belief, my Government wishes to know the views of your excellency upon this matter.

I avail [etc.]

S. S. WITHER Y S.

File No. 722.2315/589a.

The Secretary of State to the American Minister to Peru.

[Telegram.]

DEPARTMENT OF STATE,
Washington, June 28, 1913.

The Government of Ecuador has informed us that Peru has sent soldiers into Ecuadorian territory, the excuse given being that they were necessary to protect citizens of Peru who are engaged in business enterprises in Ecuador. There is a disputed boundary line between the two countries, but these soldiers, we are informed, are not on the disputed ground or on ground the ownership of which is questioned by Peru. Ecuador is anxious to enter into direct negotiations with Peru with a view to fixing the boundary line, but in the meantime asks us to use our good offices to secure the withdrawal of Peruvian troops from Ecuadorian territory.

Please present the matter to the Government and let us know its answer. The matter was brought to the attention of the Peruvian Legation here but the Minister is absent and we have heard nothing from the Chargé.

BRYAN.

File No. 722.2315/590.

The American Minister to Peru to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Lima, July 1, 1913.

Your May 19 and June 28, and Legation's May 17. The President asks that the Department have the American Minister, Quito, inform the President of Ecuador that Peru will soon settle all questions with Chile, which country is now neutral; Bolivian dispute already settled; and that Colombia has agreed to arbitrate, leaving Ecuador alone in refusing arbitration. Brazilian Minister believes this step may be effective.

The President says that nothing can be accomplished by direct negotiations and asks that the mediating powers act as arbitrators; he says that policemen have been kept on the Morona for years as a vanguard protection against savages, and that the recent attack evidences necessity therefor. He has positive information that Ecua-

dorians disguised as Indians and leading others committed the outrage. Police inefficient and soldiers sent since Putumayo atrocities to insure peace in Morona. Region always Peruvian territory and never adversely claimed.

Ecuadorian Minister informed that the soldiers sent for [rescue of] captives will be withdrawn if Ecuador will agree to arbitration.

HOWARD.

File No. 722.2315/591.

The American Minister to Peru to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Lima, July 9, 1913.

The President earnestly asks the Department's good offices in securing arbitration pursuant to procedure outlined in Legation's July 1. He believes vigorous action will be effective and asks to be advised as soon as possible.

HOWARD.

File No. 722.2315/591.

The Secretary of State to the American Minister to Peru.

[Telegram.]

DEPARTMENT OF STATE,
Washington, July 11, 1913.

Your July 9. Ecuador is preparing a proposition which we are informed will be ready shortly. We are glad to do anything in our power to bring about a settlement.

BRYAN.

File No. 722.2315/600.

The Minister of Peru to the Secretary of State.

[Not a translation.]

PERUVIAN LEGATION,
July 18, 1913.

SIR: I have the honor to confirm by this note my night letter of this date, which reads as follows:

THE SECRETARY OF STATE, WASHINGTON. I have the honor to inform you that my Government delivered to the diplomatic representatives in Lima of the Mediating Powers a memorandum in reference to the Morona incident. I also beg to inform you that I am addressing a note to you giving the views of my Government for a solution of the boundary dispute with Ecuador. I trust that, as I am in the Yosemite, you will accept this communication; but should you, after receiving my note, desire to discuss the matter, I beg you to advise me % the Peruvian Consul, Los Angeles, and I shall proceed to Washington. Yours very respectfully, (signed) F. A. PEZET, *Minister of Peru.*

In accordance with the above and acting upon the instructions received, I have the honor to inform you that on the 15th instant

my Government handed in to the representatives of the Mediating Powers at Lima a memorandum in which it declared that, following their advice, it had reduced its military forces to a peace footing; that the small detachments of soldiers that it now has on the rivers are solely there for the maintenance of order and a guaranty to life and property in such regions; that peace in the Morona River is threatened by the action of the Ecuadorian Government in granting concessions to European enterprises for the colonization of lands possessed by Peru and occupied by Peruvians; that the recent incidents in the Morona River which culminated in the destruction of the military posts and the killing of soldiers and settlers on that river justified the presence in that region of a military detachment while proving that its force (thirty men) has been entirely inadequate to properly protect the settlers and to maintain order in the region; that, yielding however to a sentiment in favor of peace, and to show its interest in the mediation, and as proof of its desire to avoid delay in reaching a definite solution of the boundary question with Ecuador, it has ordered the Prefect of the Department of Loreto to maintain in the Morona only police authority so as to protect the inhabitants against attacks by the savages and the renewal of occurrences similar to those in the Putumayo region; and, finally, my Government expresses the wish that the Mediating Powers shall be able to carry out their generous intent of bringing Ecuador to agree to their recommendation of taking to The Hague Tribunal the pending controversy, and recalls the fact that Peru has accepted unconditionally this recommendation, as its constant desire has been the settlement of this long pending controversy.

This Legation already has had the honor to bring to your attention the memorandums of July 6 and 29 of the year 1910, and the one of March 25, 1911, and I presume that in view of the personal interest that you have manifested in behalf of a speedy settlement of this boundary dispute, you have read very carefully these important statements that embody the views of my Government in support of the position that it has taken in reference to the controversy, and to the absolute necessity of ending it before an impartial tribunal such as The Hague.

My Government, that has consistently advocated the settlement of international disputes through arbitration, now looks to you as the foremost advocate of this principle and as the prime mover in an international peace policy, to exert your great personal influence to induce the Government of Ecuador to submit to the recommendation of the Mediating Powers.

My Government has shown its love of peace by its unconditional acceptance of the several recommendations of the Mediating Powers; by the manner in which it heeded the advice of the previous Administration in Washington to reduce its military forces to a peace footing; and finally by its avowed purpose of submitting to the eventuality of an arbitral award a question that involves a vast territory over which it not only claims sovereignty but is in actual possession of, whilst its adversary has but a mere claim unsupported by any of the attributes which constitute the essentials of ownership.

In conclusion I would recall that for more than half a century we have tried to reach a definite solution of outstanding boundary

questions with our neighbors by direct negotiations; unfortunately all of these have proved ineffectual and the futility of renewing these in any manner or form has been sufficiently proven by subsequent events and by the impossibility of reaching any kind of understanding through the unwillingness of the contending parties to withdraw from their maximum pretensions; so arbitration has been resorted to as the sole means of attaining an end which each party in solemn treaties has acknowledged to be its desideratum and aim.

Consequently my Government can not see any good to be derived from reopening discussions which while they have lasted have not resulted in anything practical and on the contrary have tended, after each successive failure, to embitter the controversy.

However, my Government, bent upon a peaceful settlement of all its pending questions with foreign powers, would feel very grateful if in the present case the Mediating Powers could be convinced that the only solution lies in an arbitration of the question, and then exert all possible influence over the Government of Ecuador to the end that it consent to submit the present dispute to The Hague Tribunal of Arbitration.

I have [etc.]

F. A. PEZET.

File No. 722.2315/595.

The Embassy of Brazil to the Department of State.[1]

[Memorandum—Translation.]

The Peruvian Government, owing to the request of the mediator nations and wishing to avoid every motive that would prevent the solution of the boundary litigation with Ecuador, is disposed to order that the District of Loreto keep in charge in Morona only police agents to protect the civilized inhabitants of that region against the fresh attacks of Indians and to avoid by so doing the reproduction there of the events that took place on the Putumaio. The recall of the troops would not amount to very much if the two countries would not mutually yield in some of their demands. It will be the continuation indefinitely of the status quo which could only create new inconveniences and complications. For that reason the Brazilian Legation at Quito has been instructed to impress upon the Government of Ecuador the importance of it also making some concessions to show a desire to settle this disagreeable question, pointing out the advantage of submitting the question to arbitration, which we always thought the only way to solve it, as it is evident that it is impossible for the two countries to reach a direct agreement. As it is possible that Ecuador will continue to refuse The Hague Tribunal, we suggest the choice of the President of the United States, or, in case he also is rejected, to submit the question to a tribunal that would meet in Washington or some other capital, composed of Peruvian and Ecuadorian judges and presided over by a judge of another nationality, which [sic] could be selected later. This would be the practical way to combine the solution by arbitra-

[1] Left with the Counselor of the Department of State by the Chargé d'Affaires of Brazil on July 22, 1913.

tion, which is desired by Peru, as well as by direct accord, which Ecuador wishes. The Minister for Foreign Affairs of Argentina is in full accord with this plan and finds the idea of a mixed tribunal excellent. It is necessary now to know the opinion of the American Government on the subject so that the combined mutual action of the three mediator nations will be agreed upon in the presentation of the proposal to the two countries in litigation.

File No. 722.2315/595.

The Counselor of the Department of State to the Chargé d'Affaires of Brazil.

DEPARTMENT OF STATE,
Washington, July 22, 1913.

DEAR MR. CHERMONT: Referring to our conversation this afternoon, I now write to you personally what I then suggested, namely, that if it should be proposed by the mediating powers to Peru and Ecuador that the President of the United States be chosen as arbitrator, it would seem to be more suitable that this proposal should be conveyed to those two Governments by Brazil and Argentina without the nominal concurrence of the United States. Should this proposal be so made and be found to be unacceptable to Ecuador and Peru, then, if it should subsequently be decided to propose the appointment of a mixed commission consisting of a Peruvian, an Ecuadorian, and a citizen of some third power, to sit at Washington or some other American capital, there would be no embarrassment to this Government in joining Brazil and Argentina in making the latter proposal.

Believe me [etc.]

J. B. MOORE.

File No. 722.2315/597.

The American Minister to Peru to the Secretary of State.

No. 225. AMERICAN LEGATION,
Lima, July 23, 1913.

SIR: I have the honor to report that upon the receipt of the Department's cablegram of July 11, concerning the Ecuadorian boundary dispute, a paraphrase thereof was submitted to the President and to the Minister for Foreign Affairs. Shortly thereafter the latter asked that I call at his office; and, after expressing his Government's appreciation of the Department's attitude, he read the enclosed memorandum, commenting as he proceeded. Copies have also been given to the Brazilian Minister and Argentine Chargé. I asked whether the rescue soldiers had actually been withdrawn from the Morona, as the memorandum implied. The Minister said that he could not state positively that they had. I replied that the President had said that he refused to withdraw them at the behest of Ecuador because admitting the right to demand it, but that he would do so if Ecuador would agree to arbitrate the boundary dispute. My purpose was to ascertain whether Peru would be un-

yielding in this small matter, a racial trait; but the Minister was not disposed to depart from the last known expression of the President. The latter, as reported, has denied himself to visitors for many days in the preparation of his message to Congress, and I have no news of a change in the Peruvian attitude as reported in recent cablegrams. As the enclosed memorandum adds nothing thereto, I have not had it translated.

I have [etc.]

H. CLAY HOWARD.

[Inclosure—Translation.]

MEMORANDUM.

The Government of Ecuador having protested to the Mediating Powers against the maintenance of a Peruvian detachment sent to the Morona River region for the purpose of rescuing the persons captured by the savages following the massacres committed by the latter, and said Powers having manifested a desire to secure a satisfactory solution of this incident, the Peruvian Foreign Office hereby declares:

1. That the Peruvian Government duly and fully complied with the suggestions of the mediators with respect to a reduction of its military forces to a peace footing.

2. That the detachments which the Loreto Prefecture has kept in the river region have been for the sole purpose of maintaining internal order and affording security to persons and property.

3. That on the Morona River internal quiet was threatened by the attempt at colonization carried out by an European enterprise to which the Ecuadorian Government granted a concession of lands owned by Peru and occupied by Peruvian inhabitants.

4. That the extermination by savages of a detachment of settlers on the shores of the Morona not only justifies the procedure of the Loreto Prefecture but also clearly demonstrates the fact that the forces detached there were still insufficient in number (about thirty men) to accomplish the purpose of maintaining internal order as announced above.

5. That, always deferring to the wishes of the Mediating Powers and desiring to avoid any cause of obstruction of the final settlement of the boundary dispute with Ecuador, the Peruvian is ordering the Loreto Prefecture to keep on the Morona River only mere police officers subject to the civil authorities, charged with guarding civilized inhabitants of that region from fresh attacks by the savage tribes, preventing at the same time by their presence a repetition there of events similar to those that occurred on the Putumayo.

6. That it is the most earnest hope of the Peruvian Government that the Mediating Powers may accomplish their generous purposes by inducing the Government of Ecuador to accept the recommendation, already unconditionally approved by Peru, that the pending boundary controversy be left to the decision of the Tribunal of The Hague.

FOREIGN OFFICE,
Lima, July 15, 1913.

File No. 722.2315/596.

The Chargé d'Affaires of Brazil to the Counselor of the Department of State.

EMBASSY OF BRAZIL,
Washington, July 24, 1913.

DEAR MR. MOORE: Many thanks for your personal letter of July 22nd, contents of which I cabled to my Government. As soon as I receive an answer on the subject I will communicate with you.

Thanking you again [etc.]

E. L. CHERMONT.

File No. 722.2315/598.

The American Minister to Peru to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Lima, August 8, 1913.

The President has proposed to Ecuador if serious inroads upon her terms of settlement are feared through arbitration, that a tentative boundary line for each country be agreed upon, beyond which the award shall not be effective. The Ecuadorian Minister will personally present the proposition to his Government.

HOWARD.

File No. 722.2315/601.

The Minister of Peru to the Secretary of State.

[Not a translation.]

LEGATION OF PERU,
Washington, August 10, 1913.

SIR: Acting on instructions of my Government I have the honor to enclose a confidential memorandum with four annexes and a map, in reference to the boundary dispute between Peru and Ecuador.

Accept [etc.].

F. A. PEZET.

[Inclosure—Not a translation.]

LEGATION OF PERU,
Washington, D. C.

MEMORANDUM.

The Government of Ecuador having addressed itself to the Government of the United States insisting that, thru the mediation of the Argentine Republic, Brazil, and the United States, the Government of Peru be called upon to seek, by a direct discussion, the settlement of the pending boundary questions between Peru and Ecuador, this Chancellery considers that it behooves it to confirm in this memorandum the ideas that it has made manifest already in previous memorandums, giving in detail the reasons that it has for considering as inefficacious and fruitless such a manner of solving the question.

After a discussion that was begun in the first years following the Independence, the Governments of Ecuador and Peru agreed on solving by means of arbitration their boundary differences, and signed a convention dated August 1, 1887, in which H. M. the King of Spain was designated as Arbiter.

The nature of the arbitration agreed upon was to be strictly "juris" and the award final and without appeal in accordance with article 1 of the convention.

It was further established in this convention that before the rendering of the award, and in the shortest time possible after the exchange, "both parties should do their utmost to reach by direct negotiations a settlement of all or of some of the points embraced in the boundary questions," and that if such agreements should be perfected in conformity with such proceedings as govern the validity of public treaties, they should be made known to His Catholic Majesty and the arbitration be considered as ended, or limited to the points not agreed upon, as the case might be. And there was added that in default of a direct agreement, the arbitration should hold in all its fullness.[1]

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[1] For. Rel. 1910, p. 469.

In conformity with this stipulation, the Government of Ecuador, after the exchange of the convention on arbitration and when the King of Spain had accepted the designation to be Arbiter, invited the Government of Peru on December 28th, 1888, to a direct discussion of the question, to see if it were possible to reach a friendly agreement as a compromise, without prejudice to the continuation of the arbitration proceedings. The Government of Peru accepted the invitation tendered it and gave full powers to its Minister at Quito, Señor García, for such negotiations.

These negotiations in behalf of a direct agreement were begun on October 28, 1889, and concluded on May 2, 1890, with the signing of the treaty "García Herrera" in which was stipulated the boundary line that appears in the Annex No. 1[1] (green line, on the accompanying map).

By this treaty Peru ceded the greater portion of the river Pastaza, the rivers Santiago and Morona, and one shore of the Marañón between the Chinchipe and the Pastaza, notwithstanding that in the protocols of the conference that preceded the agreement it was fully demonstrated, without any contradiction from the Ecuadorian plenipotentiary, that the Marañón as likewise the rivers Santiago, Morona and Pastaza, had remained since the incorporation of Mainas to Peru, by the Royal Cédula of 1802, subject to the Peruvian authorities and under the effective sovereignty of Peru.

The Peruvian plenipotentiary called attention to the fact that our country was sacrificing in its desire to attain a settlement "the possession that she holds on the left bank of that great river (Amazon) from the Chinchipe to the Pastaza."

The foregoing considerations explain why the García-Herrera treaty was warmly accepted by the political leaders of Ecuador, the Congress of which approved it unanimously; while on the other hand a formidable opposition against it was raised in the Peruvian Congress. The jurists, well knowing the strength of the titles that assisted Peru, could not consider acceptable so great a sacrifice of perfectly clear rights, and the representatives in Congress of the Department whose citizens inhabited and explored the regions that were going to be turned over to Ecuador, made strenuous efforts to obtain that the treaty be not approved.

The Congress of Peru desiring, however, to reach a settlement even though ceding a portion of the territory which both by right and in effect belong to Peru, resolved to accept the treaty, but on the condition that two amendments should be introduced, (dotted green line on the accompanying map) so that a part of the rivers Morona and Pastaza and of the territory ceded in the region of the river Napo, should remain within Peru.

The Government of Ecuador did not accept said modifications and it withdrew its approbation from the treaty.

As a result of the aforesaid events that define in a manner absolutely unquestionable the interests and aspirations of both nations as to the projected boundary line, the arbitral proceedings as a matter of fact came to a standstill, but by no means were they broken, because by virtue of the treaty the proceedings had to follow their natural course after the direct negotiations had failed.

The ample discussion between the negotiators that the agreement of 1890 gave rise to, the thorough study of it by technical commissions and by the Congress of both nations, and the heated polemics in the press, proved with absolute and conclusive evidence the utter impossibility of arriving at a direct settlement; as the agreement that was satisfactory to Ecuador, such as the García-Herrera treaty, was not acceptable to Peru, and the one that even incompletely considered the interests of Peru, such as the line proposed by the Peruvian Congress, encountered serious opposition on the part of Ecuador.

After the disavowal of the García-Herrera treaty, Peru, actuated by a friendly sentiment towards Colombia, accepted the indication to discuss conjointly with said Republic and with Ecuador, the boundary problems pending with both nations. The result of these negotiations was the convention for an arbitration of equity agreed upon by the three nations on the 15th of December, 1894. This convention was approved by Peru and Colombia, but did not receive the sanction of the Congress of Ecuador, and thus the tripartite arbitration failed.

The absolute faith of the Government of Peru in the validity of its titles from a juridic standpoint induced it to work for the carrying out of the convention of 1887 and obtain that Ecuador should remove the obstacles that she had pre-

[1] Not printed.

sented for the prosecution of the arbitration proceedings. After protracted negotiations the desired end was attained in 1904.

The arbitral proceedings having been renewed, Peru and Ecuador presented to the Arbiter their respective defenses, which were submitted for study to a Technical Commission appointed by H. M. the King of Spain. The commission after a thorough examination of the allegations and proofs adduced by each, presented to H. M. a finding in which it proposed as a boundary between both countries the line that appears in the Annex No. 3[1] (black line on the accompanying map).

This decision and its findings were the subjects of renewed study by the Council of State. This High Body submitted the question of [sic] its Permanent Commission, who introduced into the boundary line proposed by the Technical Commission the modifications favorable to Peru, which appear in Annex No. 4[1] (red line in the accompanying map).

This notwithstanding, the Council of State meeting as a full Body concluded by adopting the same findings as the Technical Commission, although it recognized the fundamental right as presented by its Permanent Commission.

At this stage of the proceedings news of an extra-official character reached Ecuador and Peru, in reference to the boundary lines suggested in the said findings.

These boundary lines produced a very disappointing impression on public opinion in Peru as they barely indicated some modifications favorable to Peru from the line of the Garcia-Herrera Treaty, while they were decidedly less favorable than the line which the Peruvian Congress considered as indispensable to the needs of Peru.

However, the Government of Peru, being absolutely confident in the justice of its cause, limited itself to reiterate to the Arbiter its confidence and instructed its Plenipotentiaries in Madrid to redouble their efforts to the end that the Arbiter should concede to Peru a line that would better conform to her interests and rights.

In the meanwhile, in Ecuador, the press attacked most vehemently the line proposed by the Technical Commission, although this line did not substantially differ from the one of the Garcia-Herrera Treaty which had been unanimously accepted by her Congress in 1890 and when by reason thereof Ecuador would have extended her jurisdiction to points where it had never reached or been able to reach.

This propaganda produced its effects. In the first place it determined the Government of Ecuador to paralyze the arbitral proceedings or to break them, so as to attempt direct negotiations on bases more convenient to its pretensions; and later it brought about amongst the masses of the people a current of opinion hostile to Peru, that caused them to perpetrate the lamentable acts of April 3, 1910, without any provocation for such excesses from either the Government or the people of Peru.[2]

As a consequence of the attacks that were made on that date upon the Peruvian Legation in Quito and our Consulate in Guayaquil, a very perilous situation akin to an armed conflict was created, and it was then that the Governments of the United States, Argentina and Brazil interposed the weight of their authority and influence in behalf of peace.[3]

Peru readily accepted unconditionally the mediation tendered, and which came to reinvigorate the principle of arbitration, invariably upheld by Peru, as the most honorable method of solving international conflicts.

Ecuador, likewise accepted the mediation tendered, but expressed the desire that the solution of the question should be sought by direct settlement, in the discussion of which Colombia should participate.

The Mediating Powers then addressed to Ecuador and Peru a new memorandum, wherein they stated that the acceptance of their mediation implied the acceptance of their condition to the exclusion of all other conditions.

Ecuador insisted in demanding a direct settlement, invoking Article 6 of the Convention of 1887 and declaring that the resistance on the part of Peru to comply with it was equivalent to the rescinding of the treaty.[4]

In answer to a question from the Legation of Chile in reference to this matter the State Department at Washington addressed said Legation, a memorandum[5] that was likewise sent to Peru and Ecuador. This memorandum expressed the sorrow of the State Department that it could not receive with its usual

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[1] Not printed.
[2] For. Rel. 1910, p. 443 et seq.
[3] Id., 441 et seq.
[4] Id., pp. 458–459.
[5] Id., p. 469.

good will the proposal contained in the memorandum of May 26th, because said proposal invoked article 6 of the Arbitral Convention of 23 years previous, and, based on this, at the last hour, without the consent of Peru and as by right, it insisted on the idea of direct settlement, which had already failed on former occasions.

Ecuador in answer to said memorandum reiterated her demand, and subsequently addressed a new communication in which she asked that dates be fixed for conferences wherein would be discussed a compromise designating Washington as the place of conference.[1]

The mediating Powers submitted to the consideration of both Governments a protocol[2] which in reference to the boundary question stipulated that Ecuador and Peru should await events, and accept the action of the mediation in case that the rendering of the Spanish award should be withheld indefinitely, or that difficulties should arise after its promulgation, or that the two nations should wish to enter upon some direct settlement, they being obligated to consider as binding the boundary line that might result from the action of the mediation.

The Government of Peru, that has entire faith in the strength of its titles, was disposed to accept the protocol with the same sincerity with which it had accepted the mediation.

Not so the Government of Ecuador, the Chancellery of which addressed to the representatives of the mediating Powers a note[3] in which it stated that acceding to the friendly advices of Chile, it asked that the protocol should be modified in the sense that the arbitration by Spain should be discarded, and a solution of the boundary question sought by means of a direct settlement. This attitude was the occasion for a memorandum from the mediating powers to the Ecuadorian Government in which they stated that they deplored the attitude of Ecuador, that signified in their judgement, either a wish not to terminate pacifically the boundary question, or else a lack of confidence in the mediators.

Such was the state of affairs when in November 1910, the Spanish Monarch excused himself from pronouncing an award.[4]

The Mediating Powers under date of December 29th of said year, advised the Government of Ecuador and Peru to submit their pending boundary dispute to the Hague Arbitration Tribunal.[5] Peru accepted the new proposal; but Ecuador manifested that she could not accede to said advice because the question with Peru involved her sovereignty, and that, therefore, it could not be included in article 38 of the Hague Convention on Arbitration.[6]

Having restated the antecedents of the case it is now necessary to explain Peru's position in the disputed territory, in order to reaffirm the reasons that lead Peru to consider ineffectual all attempts for a direct settlement.

Peru exercises full dominion over the territories claimed by Ecuador, and not only has she the support of complete and effective possession but also that of the geographic conditions of the zone under dispute.

The Department of Loreto with over 200,000 inhabitants constitutes an indissoluble organism that has its axis the course of the Marañón, called down stream "Amazon," to which converge as northern arteries the rivers Santiago, Morona, Pastaza, Tigre, Napo, Putumayo and Caquetá. The regions watered by said rivers form one continuous and inseparable whole. Its industrial life depends on the Peruvian towns situated on both banks of the Marañón. The capital of the Department, the city of Iquitos, is the center of the vast organism, and from it flow all elements of culture and of economic prosperity, extending from there to the limits of fluvial navigation.

The influence of Iquitos extends over all of the affluents of the Marañón. The colonists that live on the banks of those rivers could not exist if from Iquitos they did not receive the necessaries for their sustenance.

It is indispensable that the Governments of the Mediating Powers should have a perfect conception of what the Department of Loreto means to the Peruvian nation. The revenue of its custom houses constitute the fifth of the total customs revenues of the Republic. Iquitos has a population of over 20,000. It is the capital of the Department, seat of the Prefecture and of a Superior Court of Justice, center of the fifth Military Zone. Most of the nations maintain at Iquitos consular representatives, even unto Ecuador, although her territorial pretensions reach out to the Amazon, and thereby include the said city.

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[1] Id., pp. 473–474.
[2] Id., pp. 479–480.
[3] Id., pp. 500–501.
[4] Id., p. 503.
[5] Id., pp. 506–507.
[6] For. Rel. 1911, pp. 177–180.

The Marañón and Amazon as far as the Brazilian frontier are absolutely and thoroughly Peruvian. This explains the discontent aroused in Peru by the Garcia-Herrera Treaty and the decided opposition of the Department of Loreto to the supposed line of the Spanish award. The Minister for Foreign affairs was interpellated by the 1910 Congress in secret sessions, a great number of representatives being of opinion that in view of the probable terms of the award it was preferable to postpone its rendering; manifestations were started throughout Loreto and petitions against the possible award were circulated and signed. The fact being that the lines of the various findings affected and harmed Peruvian interests, even unto the line most favorable to Peru, the one recommended by the Permanent Commission, which left to Ecuador the river Santiago, a large portion of the Morona and one bank of the Marañón regions in actual exploitation by Peruvians, leaving to Ecuador an opening on the Marañón, that is to say, on a river upon which the flag of Ecuador has never been seen.

The preceding considerations make it clear why Peru refuses to entertain direct negotiations and the reason she has for considering them as to no purpose.

Settlements by means of direct negotiations imply solutions thru compromise, inspired on principles of equity and of a just appreciation of the interests of both parties.

It is a fact, amply indicated in all the foregoing, and which is known to all, and has been acknowledged by the public men of Ecuador in official publications and in articles in the press that Peru possesses and exploits nearly the whole of the region that Ecuador lays claim to.

Ecuador, on the other hand, merely has in the region of the Oriente aspirations and ideals with no actual base; and furthermore, due to unsurmountable geographical conditions, with no prospect of a substantial base in the future, because it is a well known fact that the development and the economic advancement of regions traversed by navigable rivers do not follow a down-stream course but run counter to the stream, so therefore, in the development of such regions the influence of the nation that possesses the lower reaches of the river and their mouths predominates. Specially is this so in the case of Ecuador that by reason of her difficulty of access to the Oriente, can scarcely make felt her influence even at the head waters of the rivers.

Consequently the territory in dispute is and shall be essentially Peruvian, by reason of every factor, historic, geographic and political.

But there is even more. The aspirations of Ecuador, leaving out the exaggeration of her demands—a method of defense in judicial proceedings—had their inception in the Garcia-Herrera Treaty which her public men received with applause and her Congress approved with significant unanimity; whereas the interests of Peru in 1891 were expressed by the modifications introduced and demanded by the Congress of that year in order to accept the Garcia-Herrera Treaty.

Since the year 1891 the situation has changed, modified by the natural course of events in a sense favorable to Peru and decidedly adverse to Ecuador. The interests of Peru have grown in an astonishing manner in the region. The line of demarcation which the Congress of 1891 had resigned itself to accept would now harm interests of so great an importance that the Government of Peru could not consider itself at liberty to adopt it. The formula that Peru cannot separate itself in behalf of an equitable compromise from the absolute respect for her own possessions could readily be established.

It would be unjustifiable for us not to maintain strictly the principle of possession when along with the possession for over a century there are our historic titles acknowledged in part by a reliable arbiter.

On her part, Ecuador found inacceptable the probable line of the award, a line that Peru could not agree upon in a direct settlement, due to the fact that it jeopardizes to a great extent her rights.

In a direct discussion our nation can not surrender territories which she possesses; and even although she would have accepted the award of the King of Spain out of respect to the agreement contracted, she could not of her own accord have ceded the same; while to enter into a treaty that should consider a less favorable boundary line would be impossible; the entire nation could reject such a treaty. And as Ecuador wishes to better in her favor the boundary line of the Spanish findings the failure of direct negotiations is inevitable.

In view of the fact that it is impossible to conciliate in a direct agreement the interests real, effective and vital that Peru has in the disputed territories with the ideals and aspirations of Ecuador in the same regions, it becomes evident that nothing other than an arbitration de juris [sic] which would have the full force and prestige of the International Tribunal of The Hague can settle this boundary dispute.

For this reason Peru hastened to express her willingness when the mediating powers advised such a mode of settlement, because she considers it to be the only possible manner of ending this long-standing controversy.

The Chancellery of Ecuador declined the invitation because she considered that her dispute with Peru "does not refer to a mere delimitation or rectification of boundary lines but to the dominion and sovereignty of very vast territories; to the very life of Ecuador who, without the possession of the zone that Peru claims, would be dead to all future developments." And it further added, "the boundary question is to us a question of existence; and by reason of the same can not be included in article 38 of The Hague Convention."

It is necessary to observe, before all else, the curious fact that Ecuador should consider as being absolutely essential to her existence as a free nation the possession of territorial divisions that since the time of the Independence until now have remained under our own sovereignty.

Ecuador has existed during nearly a century as an independent nation without having possessed or even possessing at this date the territories that she claims from Peru.

But there is even more: by the physical nature of said territories, Ecuador has been unable to exercise sovereignty over them nor will she in the future be able to make apparent her influence there; whereas to definitely consolidate Peru's sovereignty over the northern affluents of the Amazon, the region under dispute, several special conditions have contributed, notably the free vote of its townships at the time of the Declaration of Independence, their invariable adhesion to Peruvian nationality for over a century, the acts of the Administration and of the citizens of Peru who by strenuous efforts have carried civilization to those far off regions; and besides all this there are to be considered the salient features of the topography of the region, the course of the rivers—in a word, the whole of nature.

When a nation has lived and has developed as Ecuador has done without any need of the territories that she claims, her references to vital interests and to future development are lacking completely in sincerity. Essential needs of organisms can not be abstract, and when they really exist they determine concrete expansion.

Besides, Ecuador has given to article 38 of The Hague Convention such restricted interpretation that it conflicts with its own terms and with the antecedents of the discussions on arbitration. None of the articles approved in the chapter relative to arbitral justice establishes the exclusion of arbitration from the juridic controversies that may be of exceptional importance to the disputing nations, which is the case in the boundary question between Peru and Ecuador.

To appreciate the sentiment with which Ecuador accepted the ample declarations of the Arbitral Convention it will suffice to recall the statements that the Ecuadorian Delegate made before the Congress of The Hague in the name of his Government and his country, at the time that arbitration was under discussion:

The Delegation of the Republic of Ecuador has the honor to declare and in the name of its Government that it will fully agree to such propositions as may tend to establish the *obligatory recourse to courts of arbitration for the pacific solution of international conflicts;* or at least to render such proceedings usual and as frequent as possible, reducing thereby when practicable the numbers of cases that are not submitted to this high jurisdiction.

The Republic of Ecuador in so doing faithfully adheres to the principles it has always sustained. And in regard to this subject we take the liberty to recall that Ecuador had the honor, more than nineteen years ago, to succeed in having a general clause of arbitration included for the first time in France in a treaty on friendship, commerce, and navigation which treaty unfortunately was not approved by the French Parliament.

During the last twenty years Ecuador has stipulated numerous conventions of arbitration and has signed various agreements appointing arbitrators and enacting the proceedings to be followed in order to reason a pacific solution of the controversies she has pending with other nations. At this very time our boundary question with Peru is submitted to the arbitration of H. M. the King of Spain.

We have therefore always sustained the principle of arbitration and we have always applied it when possible. We would deem ourselves fortunate indeed could we contribute to render the practice customary if not obligatory in solving all international conflicts, for we consider that if, as has been stated, peace is the normal condition among nations, arbitration should be the normal solution to all difficulties arising among them. (Deuxième Conférence Internationale de la Paix; Tome 11, page 274.)

Ecuador declared, as has been shown, in favor of the compulsory recourse to arbitration for the peaceful settlement of international conflicts, without any restrictions. She recalled the invariable tradition of her Chancellery in the matter, and precisely stated that she had submitted to arbitration her boundary dispute with Peru, and which now in forgetfulness of her own declarations and of the words cited she pretends to exclude from the jurisdiction of The Hague International Tribunal.

This new Ecuadorian doctrine, which for the first time appeared on her obtaining knowledge of a project of award rendered precisely on the same dispute and in respect of an arbitration to which the Government was a party of its own free will, does not conform with the diplomatic history of Latin America nor with that of Ecuador.

The greater number of Latin American controversies have been settled through arbitration. Thus we have:

The dispute between Brazil and Argentina over the territory of Misiones (30,000 square kilometers) settled by the award of the President of the United States;

The dispute between Brazil and France over Guayana, settled by the award of the Swiss Government;

The dispute between Brazil and Great Britain over Guayana, settled by H. M. the King of Italy;

The dispute between Argentine and Chile (94,000 square kilometers) settled by the award of H. M. the King of Great Britain;

The dispute between Argentine and Paraguay over the region between the rivers Verde and Pilcomayo, settled by the award of the President of the United States;

The dispute between Peru and Bolivia (over a territory as extensive as the one claimed by Ecuador) settled by the award of the President of Argentine;

The dispute between Colombia and Venezuela, settled by the award of H. M. the King of Spain.

The dispute between Colombia and Costa Rica, settled by the award of the President of France;

The dispute between Venezuela and Great Britain over Guayana (100,000 square kilometers), settled by the award of an arbitration tribunal;

The dispute between Venezuela and The Netherlands over the Ares Islands, settled by the award of H. M. the King of Spain;

The dispute between Honduras and Nicaragua, settled by the award of H. M. the King of Spain;

The dispute between Costa Rica and Nicaragua, settled by the award of the President of the United States;

The dispute between Haiti and the Dominican Republic, settled by the award of H. H. the Pope.

Ecuador herself, although she now hesitates to accept the arbitral recourse in the hope of obtaining from Peru more than an impartial arbiter might give her on examining unbiasedly the titles upon which she builds her claims, sought always that mode of solution for her boundary questions, stipulating it in the convention of 1887 with Peru; in the tripartite agreement of 1894, entered into on her initiative; and with Colombia in the Convention of 1858, in the aforementioned tripartite agreement and in the treaty of 1904.

It has been demonstrated in the foregoing exposé that:

1. All negotiations for a direct settlement between Ecuador and Peru are to no purpose, because Ecuador would try to better in her behalf the line of the probable Spanish award, the knowledge of which was the occasion for the attitude assumed by Ecuador in 1910 and that gave rise to the very serious conflict that the mediation of the Powers solved; and Peru, on her part, can not in a direct settlement accept even the boundary line of the Spanish award as she is obliged to maintain all the territories that she possesses and that she has developed through her efforts.

2. The direct discussion would be productive of nugatory results because its inevitable failure would bring about a new crisis in the relations between Peru and Ecuador.

3. The only manner in which to solve this dispute, the existence of which is a lasting cause of friction between both nations, is in submitting it to the decision of an arbiter having sufficient prestige and authority so that his award shall have the necessary moral force.

File No. 722.2315/601.

The Acting Secretary of State to the Minister of Peru.

DEPARTMENT OF STATE,
Washington, September 10, 1913.

SIR: I have the honor to acknowledge the receipt of your esteemed note dated August 10, which which you enclose a confidential memorandum together with four enclosures and a map with reference to the boundary dispute between Peru and Ecuador. These have been read with much interest.

Accept [etc.]

JOHN E. OSBORNE.

File No. 722.2315/600.

The Secretary of State to the Minister of Peru.

DEPARTMENT OF STATE,
Washington, September 24, 1913.

SIR: I have the honor to acknowledge the receipt of your note of July 18 last, on the subject of the boundary controversy between Peru and Ecuador, in which you state that your Government would be grateful if the mediating powers could be convinced that the only solution of the question lies in the arbitration of it and if they would exert all possible influence over the Government of Ecuador with a view to the submission of it to The Hague Tribunal of Arbitration.

Accept [etc.]

(For the Secretary of State.)
JOHN E. OSBORNE.

THE TACNA-ARICA DISPUTE BETWEEN PERU AND CHILE. VARIOUS PROPOSALS FOR THE MEDIATION OF THE UNITED STATES, ARGENTINA AND BRAZIL. REFUSAL OF CHILE TO ASSENT TO THE OFFER OF THE UNITED STATES TO PROTECT PERUVIAN INTERESTS IN CHILE.

File No. 944/77.

The American Minister to Chile to the Secretary of State.

MEMORANDUM ON THE TACNA-ARICA QUESTION.

IMPORTANCE OF CONTROL OF NITRATE REGIONS.

Between parallels 25 south and 19 south the Pacific coast plain is rainless and unfitted for agriculture, but valuable for its guano, silver, and especially for its nitrate deposits. Practically the world's whole supply of nitrate comes from this region. Fifty-five per cent of Chile's public revenues are nitrate royalties.

Between 19 south and 17½ south are the provinces of Arica and Tacna which produce food supplies. Arica is the nearest Pacific port to La Paz and the inhabited parts of Bolivia.

Prior to 1866, both Chile and Bolivia laid claim to the coast plain between parallels 25 and 23. Its inhabitants were mostly Chileans—recent immigrants engaged in exploiting guano.

In 1866, an amicable treaty was made by Chile and Bolivia fixing the boundary at parallel 24—the countries agreeing to divide equally all the guano business and export duties on minerals produced in that territory.

The half included between parallels 24 and 23 turned out to be very rich in nitrate and silver, and the mines were worked by Chilean companies and no Bolivian settlements existed, although the sovereignty was Bolivian.

In 1874, Bolivia agreed not to increase during 25 years the export duties on minerals mined within this zone, or to impose any other taxes whatever on Chilean citizens or capital employed therein.

Rich, however, as was this Bolivian nitrate territory and that immediately north, extending to the Peruvian line (parallel 21½) Peru's nitrate supplies were better. They lay in the Province of Tarapaca, which extends from the Bolivian frontier north to parallel 19.

From them Peru derived the major portion of her revenues, which revenues were hypothecated to secure her numerous European loans, and European capital was extensively and profitably invested in the exploitation of the Peruvian guano and nitrate.

The growing competition of the Chilean nitrate companies operating in the southern part of the Bolivian littoral alarmed the Chilean Government and its European creditors and concessionnaires. Chile feared that Bolivia would go in with Peru, expel the Chilean companies and establish a nitrate and guano monopoly.

So, in 1873, a secret treaty of alliance was made between Peru and Bolivia. When its existence was unearthed by a Chilean diplomat a few years later, Chile regarded it as directed against herself, and especially as intended to deprive her and her citizens of vested rights.

In 1878, Chile being then involved in a serious boundary dispute with the Argentine that put the countries on the verge of war, and both countries mobilizing their land and naval forces, the Bolivian Congress passed a law imposing a duty of 10 cents a quintal on nitrate mined in the zone between parallels 24 and 23. When the Chilean Government protested against this action as a violation of the 1874 agreement, Bolivia answered that the tax was imposed not upon Chilean citizens but upon Chilean companies and associations, and that these had not been expressly mentioned in the treaty.

The dispute between Argentine and Chile was quickly adjusted, largely owing to the friendly mediation of the United States. Nevertheless, Bolivia proceeded after a short delay to put into effect this new nitrate tax. When early in 1879 the Bolivian customs authorities levied upon the property of a Chilean company at Antofogasta, Chile at once occupied the Bolivian coast and dispossessed the Bolivian officials there resident.

Peru sent a special envoy to Chile who demanded that she disoccupy the territory and consent that it be placed under the joint protectorate of Peru, Bolivia and Chile.

On her side, Chile demanded that Peru disavow or explain the secret treaty of alliance with Bolivia and give assurances of her neu-

trality. After a month of negotiations during which both parties actively engaged in war-like preparations, Peru categorically refused and Chile declared war.

Having for the moment command of the sea, Chile promptly landed troops in Tarapaca and decisively defeated the Peruvian garrisons that occupied the province.

This gave her the very great advantage of reducing Peru's available revenue by more than half, at the same time doubling her own. Her further progress was, however, delayed for some months by the operations of the Peruvian iron-clad *Huascar*.

As long as this vessel was at large, the sea was not safe, for Chilean transports and armies could not be supplied by the land route through the desert. But as soon as the Chilean iron-clads caught the *Huascar* they destroyed her, and an efficient army was at once disembarked in Tacna and Arica which overwhelmed the main Peruvian and Bolivian forces.

MEDIATION.

Within three months after war was begun, Chile being already in possession of the Bolivian littoral and while the campaign against Tarapaca was being successfully conducted, simultaneous but independent overtures were made to the Government of the United States by the Cabinets of London and Berlin, looking to a future formal proposal from Great Britain and Germany to act with them in a mediation between the belligerents. Subsequently, France and England conjointly made abortive attempts toward inducing Chile and Peru to make some practical agreement. Important British, German and French financial interests existed which would be endangered by complete Chilean success.

Doubtless the Hayes administration feared lest European mediation might insensibly become European intervention and even result in a European protectorate. So the American Government gave no encouragement to the French overtures and the European Governments refrained from proceeding further at that time.

About the same time, the Bolivian Government succeeded in gaining the active sympathy of our Minister at La Paz, and the latter, though he had received no instructions on the subject from Washington, consented to go to Santiago via Lima to offer his personal mediation. At Santiago he succeeded in obtaining from the Chilean Government an expression of its willingness to submit its difficulties with Bolivia to arbitration, but met with a refusal as to those with Peru, Chile insisting that the latter unconditionally abrogate the secret treaty of alliance.

Ecuador and Colombia at about the same time offered their mediation, and suggested a general conference of all American Powers to discuss and settle any existing disputes between them, including the Peruvian-Chilean question. These suggestions met with no encouragement on the part of Chile.

In the fall of 1880, Chile having meantime been completely victorious and being already in possession not only of the Peruvian nitrate province of Tarapaca but also of Arica, Tacna and Moquegua Provinces, the United States made a formal proffer of friendly mediation, which was accepted by the belligerents. Their representatives met on board the U. S. S. *Lackawanna* in the presence of Messrs. Os-

born, Christiancy and Adams, American Ministers to Chile, Peru and Bolivia, respectively. Peru and Bolivia insisted upon arbitration and upon confining it to the determination of the amount of a war indemnity without giving Chile territorial compensation. The Chilean representatives answered that their country must receive a cession of territory and refused to consent to arbitration. Accordingly the conference adjourned without having accomplished anything.

Shortly thereafter Argentina proposed to Brazil to join her in mediation. But Brazil was reluctant to undertake something the United States had just failed in, or to forego the manifest advantage to herself of permitting Chile to become strong enough to become an effective counter-balance to the Argentine.

The war went on. Chile determined to force the Peruvians to consent to peace. Her armies were sent up the coast, overwhelmed the Peruvian militia at Miraflores, and occupied Lima and practically the whole Peruvian coast.

Deprived of her principal revenues by the loss of the nitrate territory, her capital and ports in the possession of foreign troops, Peru was helpless and bankrupt, and European bondholders and concessionnaires importuned their Governments anew to intervene and force Chile to withdraw.

The President of France proposed in 1881 to the American Ambassador that the French, British and American Governments make a concerted effort to bring the conflict to an end. Mr. Blaine declined to consent to joint action, regarding American countries, with European Powers. Nevertheless he determined that the United States should independently offer mediation. Mr. Hurlbut was named and sent to Lima as American Minister. Acting under his understanding of Mr. Blaine's instructions, upon his arrival in Peru he represented strongly to the Chilean Minister there the advisability of making peace and of consenting to accept a money indemnity instead of a cession of territory.

The announcement at Santiago that the American Minister at Lima had declared that the United States would under no circumstances consent to Chilean annexation of Peruvian territory roused intense indignation. Mr. Kilpatrick, the new American Minister to Chile, apparently had not received a copy of Mr. Blaine's instructions to Mr. Hurlbut or understood them indifferently, for he disavowed his colleague's declarations.

Mr. Blaine at once sent Mr. Trescot to Santiago as Special Commissioner, with explicit instructions to insist that Peru be given the opportunity to pay a money indemnity before being forced to cede the territory. He added that in case of Chile's refusal the United States "will hold itself free to appeal to the other Republics of this continent to avert consequences which threaten with the extremest danger the political institutions of all America."

It seems probable that if this moral pressure should prove ineffective Mr. Blaine intended to follow it up with more drastic measures and that he had determined not to permit wars to affect the changes in South American boundary lines.

When Mr. Trescot arrived at Santiago, Mr. Blaine was already out of office. Mr. Frelinghuysen was not prepared to go as far as his predecessor. He telegraphed Mr. Trescot that "the United States

only proposed to give counsel and aid to Chile in any negotiation which that country might desire to make; that Chile must herself determine whether or not she will accept such aid." Like Mr. Blaine, Mr. Frelinghuysen thought that Chile ought not to exact the surrender of Tarapaca, but he refused to authorize Mr. Trescot to make any threats.

Mr. Trescot was unable to persuade Chile to yield as to Tarapaca but got a protocol signed by which she agreed to let go of Tacna and Arica, accepting $20,000,000 indemnity therefor.

Mr. Frelinghuysen disavowed Mr. Trescot's action in regard to this protocol and accredited Mr. Logan as Minister to Chile and Mr. Partridge to Peru. The former obtained from the Santiago Government an offer to make peace upon Peru's consenting to cede Tarapaca and to sell her reversionary right to Tacna and Arica for $10,000,000. He advised Peru to accept, but Mr. Partridge protested and subsequently called a meeting of the European diplomatic representatives at Lima, and proposed that he and they send identic notes to their respective Governments, recommending joint mediation or intervention.

Mr. Frelinghuysen promptly disavowed Mr. Partridge's action and recalled him as well as Mr. Logan and Mr. Manney, our Minister to Bolivia.

This ended our efforts at mediation, and they have not since been renewed.

Shortly thereafter, Chile in direct negotiations with Peru consented to a modification of her terms as to Tacna and Arica. Instead of insisting on Peru's consent to their unconditional transfer on the payment of $10,000,000 by Chile, the latter was to hold them provisionally for ten years—namely, until March, 1894. At this time their final nationality was to be determined by a plebiscite.

The following is a translation of the treaty article referring thereto:[1]

Article 3. The territory of the provinces of Tacna and Arica—bounded on the north by the river Sama from its source in the Cordilleras on the frontier of Bolivia to its mouth at the sea; on the south by the ravine and river Camarones; on the east by the Republic of Bolivia; and on the west by the Pacific Ocean—shall continue in the possession of Chile, subject to Chilean laws and authority, during a period of ten years, to be reckoned from the date of the ratification of the present treaty of peace.

After the expiration of that term a plebiscitum shall decide, by popular vote, whether the territories of the above-mentioned provinces shall remain definitely under the dominion and sovereignty of Chile or continue to form part of Peru. Either of the two countries to which the provinces of Tacna and Arica will have been annexed shall pay to the other ten millions of Chilean silver dollars or of Peruvian soles of the same weight and fineness.

A special protocol, which shall be considered as an integral portion of the present treaty, will prescribe the manner in which the plebiscitum is to be carried out, and the terms and times for the payment of the ten millions by the country that will have become the sovereign (dueño) of the provinces of Tacna and Arica.

EFFORTS TO SETTLE.

Exhausted and impoverished by the Chilean war and the long continued civil wars which followed, the Peruvian Government would have been embarrassed to find the $10,000,000 for Chile, and several

[1] The Treaty of Ancón.

years elapsed before serious negotiations were entered into to secure the carrying out of the above treaty article and the signing of the protocol provided for therein.

Shortly before 1894, Peru proposed that Chile definitely return Tacna and Arica and accept certain commercial concessions in lieu of the $10,000,000. Chile refused.

Next, Peru demanded that Chile temporarily turn over the provinces to Peru upon the expiration of the ten years' period, so that the plebiscite might be held under Peruvian auspices. Chile refused, claiming that her possessory title would not lapse until the plebiscite had been held and resulted favorably to Peru.

Peru then proposed to submit to arbitration (1) which nation was entitled to possession after March 28, 1894, and (2) whether only Peruvians should vote, or also Chileans and other foreigners who had moved into the disputed territory since 1884. If only the old Peruvian residents could vote, Peruvians would be sure to win the plebiscite, but if Chileans and other foreigners should also vote they would probably outnumber the Peruvians, especially if the election be held with Chilean authorities in charge. Chile refused to arbitrate either question—the first on the ground that it involved her territorial sovereignty, and the second because the words "popular vote" are used in Article 3 of the treaty.

Peru then proposed that Chile unconditionally cede her claim to the portion north of the Chero, she to cede hers to the portion south of the Vitor, and that the plebiscite for the central portion be held under the auspices of a mixed commission composed of one member named by the Peruvian Government, one by the Chilean Government, and the third by a friendly Power. Chileans were not to be permitted to vote unless they could prove two years' bona fide residence and that they were not members of Chile's armed forces. Chile failed to pay any attention to this proposal.

Shortly thereafter the ten-year period terminated and Chile remained in possession against Peru's protest. No progress in the negotiations was made until 1898, when Chile, being on the verge of war with Argentine, the time seemed opportune for Peru to obtain the desired concessions. Señor Billinghurst was sent to Santiago, and there he and the Chilean Minister of Foreign Affairs signed the protocol submitting to Spain's arbitration the question as to who should have the right to vote in the plebiscite. But strong opposition to this protocol developed in successive sessions of the Chilean Congress and it was never ratified. Diplomatic relations were subsequently interrupted and only renewed about three years ago. The first Peruvian Minister sent to Santiago, Señor Alvarez Calderon, returned at the end of 1907 without having accomplished anything.

In 1908, Senor Seoane, his successor, received a proposal of settlement from the Chilean Foreign Office. Peru was asked to admit the right of all residents, Chileans and foreigners as well as Peruvians, to vote; Chile agreed to appoint local Peruvian and foreign as well as Chilean representatives on the electoral boards in charge of the plebiscite; her officials would continue to administer the territory while the plebiscite was being held. Chile claims that this is substantially the manner in which the Nice-Savoy plebiscite and others were conducted. In return for Peru's waiver of her insistence on

arbitration as to who is entitled to vote and take charge of the election, Chile expressed her willingness to form a customs union with Peru, to give subventions to coastwise ships, to make large appropriations for the building of a railway from Santiago to Lima, and finally to increase the indemnity for Tacna and Arica by 50 per cent.

Believing that a plebiscite held in the form proposed would result unfavorably to herself, Peru considered the proposal nothing more than a disguised offer to purchase Tacna and Arica, and rejected it. The then Peruvian Government did not, however, sever diplomatic relations and it was the evident intention of both parties to continue negotiations.

THE WREATH INCIDENT.

A few months subsequent to the events just recited, Señor Echenique was received at Lima as Chilean Minister, and shortly thereafter addressed a note to Señor Polo, Peruvian Minister of Foreign Affairs, expressing the desire of the Chilean Government to place a bronze wreath on the mausoleum erected to the memory of the Peruvian soldiers who died in the war with Chile.

Señor Polo answered, thanking Señor Echenique, and adding: "that when the necessary arrangements would be made, he would be pleased to settle with the Chilean Minister all concerning the homage offered by the Chilean Government."

A few days later, a new administration came into power in Peru, and one not so hopeful of being able to reach a satisfactory settlement with Chile by friendly negotiations. Through a colleague, Señor Echenique sounded the new Minister of Foreign Affairs, Señor Porras, as to the latter's willingness to fix a day for the official ceremony of offering the wreath. Señor Porras indicated to Señor Echenique's friend that the Peruvian Government did not desire to accept the wreath. Señor Echenique addressed a formal note to the Foreign Office, referring to Señor Polo's former communication and asking definitely that a day be fixed for the ceremony. Señor Porras answered that as long as the treaty of 1883 was not fulfilled, he thought all demonstrations pending to show that a reconciliation had occurred were out of place. Señor Echenique replied, deprecating the attitude now assumed by the Peruvian Government and reiterating assurances of Chile's desire to reach an amicable settlement. Señor Porras ended the correspondence by saying he considered it useless to deal any further with Señor Echenique's theories.

The Chilean Minister immediately left Santiago for his own country (January, 1909) and his return was a signal for demonstrations of intense popular indignation at the treatment given Chile's representative and the rejection of the offer of the wreath. A large section of the press and public demanded that war be declared.

OBSERVATIONS BY MR. DAWSON.

Two principal reasons have been advanced why the United States Government is now under moral obligation to that of Peru to offer mediation with a view of persuading or intimidating Chile to agree

to submit to arbitration the question as to who shall control the election and who shall have a right to vote:

First, that Mr. Blaine's intimation in 1881 to the European powers that their intervention would be disagreeable to the United States prevented Great Britain and France from recovering for Peru her lost Provinces. But it was not for altruistic reasons these countries desired to intervene, but rather for the purpose of protecting pecuniary interests of their citizens. It is possible that their formal intervention would have resulted in nothing more favorable to Peru than the forcing of Chile to recognize and indemnify Peru's European creditors and concessionnaires as a condition of getting the territory. In fact, they did bring strong and effective, though unofficial, pressure to bear upon Chile while the 1883 treaty was being negotiated directly between her and Peru. Many of the articles of that agreement concerned the satisfying of the European creditors, and Chile's first preoccupation after 1833 [1883] was to get these European claims out of the way.

Second, that Mr. Hurlbut's declaration, made in 1881, that the United States would never consent to Chile's depriving Peru of territory, encouraged the latter to further resistance. But the fact [was] that the war was already virtually over and the military situation did not materially change after the date of said declaration. On the other hand, it is true that in Trescot's time Chile offered to give up Tacna and Arica on the payment of $20,000,000. The 1883 arrangement doubtless seemed to the then Peruvian Government less onerous. They were really getting $30,000,000 for Tacna and Arica—$10,000,000 in cash at the end of 10 years and $20,000,000 immediately in the remission of war indemnity. They obtained 10 years' respite for national recuperation before being obliged to decide between definitely ceding the provinces or paying out money.

Argentine interests lie always in weakening Chile internationally and politically. Therefore that country would be glad, with the backing of the United States and Brazil, to mediate for the purpose of compelling Chile to give up Tacna and Arica. Without these provinces—whose agricultural resources are adequate to the temporary maintenance of their garrisons—Chile's northern frontier and her garrisons in all her desert country south to parallel 25 would be defenseless in case a single fast hostile cruiser were at large to destroy convoys and transports. Those garrisons can now only be supplied by sea. The revenue from the nitrate territory is essential to Chile's military power and financial credit. While in possession of Tacna and Arica she can hope to make head against Argentina and Peru at the same time, because she could hold out there and threaten southern Peru, even in case of a temporary naval defeat; without those provinces an Argentine fleet, or even one fast cruiser, could starve out the nitrate territory, and Chile's only chance would be for her own fleet to pursue, catch and destroy all Argentine and Peruvian war ships.

Brazil would not feel safe on her southern frontier if the Argentine were once free from a check on the side of Chile.

Respectfully submitted.

T. C. Dawson.

July 16, 1909.

File No. 944/93–95.

The American Minister to Chile to the Secretary of State.

AMERICAN LEGATION,
Santiago, November 1, 1909.

SIR: Referring to the negotiations for a settlement of the Tacna-Arica question, pending between Chile and Peru, I have the honor to report that about two or three weeks ago the Chilean Foreign Office sent instructions to the Chargé d'Affaires at Lima to present to the Peruvian Minister of Foreign Affairs the bases which Chile was willing to accept. I am now able to inclose herewith a statement of these bases written in Minister Edwards'[1] own hand.

The Peruvian Government had already proposed to enter on negotiations for a settlement and that ministers plenipotentiary be sent respectively to Santiago and Lima. No bases were, however, suggested by Peru, and Chile refused to exchange ministers until Peru should have definitely accepted preliminary bases.

The Argentine Minister has been aiding the Foreign Office all he can during the last three weeks to induce the Peruvian Government to accept Chile's preliminary terms. He tells me, however, that his Government's action has not been and will not be in the way of intervention or mediation, but only by way of friendly counsel. Undoubtedly already the Argentine Foreign Office has offered advice on the subject to the Peruvian Minister at Buenos Aires and has instructed its own Minister at Lima to offer similar advice to the Foreign Office there.

The Argentine Minister approached me two days ago with the purpose of ascertaining the probable disposition of the State Department as to seconding Argentina's action at Lima and Washington. I told him I had received no instructions, information, or intimations from the Department.

I have [etc.]

T. C. DAWSON.

[Inclosure—Translation.]

Statement by the Minister for Foreign Affairs of Chile of the bases for settlement of the Tacna-Arica question which Chile is willing to accept.

(1) The plebiscite will be held on a date that will allow Chile to fulfill her undertakings with Bolivia as to the construction of the Arica-La Paz railroad. Note: It is calculated that the section in Chile will be finished in 1911.

(2) The voting shall be by secret ballot and in it shall be entitled to take part all the inhabitants—Chileans, Peruvians and foreigners—who shall have the following qualifications:

(a) Citizenship with right to vote in Chile or Peru. Note: The same qualifications are required in both countries.

(b) Minimum residence of six months (in the disputed provinces.)

(3) Chile shall preside over the acts connected with the plebiscite and the Electoral Commission shall be composed of three members: a Chilean, who shall be President, a Peruvian, and a neutral. Note: As to this point Chile thinks that the right to preside over the plebiscite can not be conceded by her seeing that her sovereign rights continue until the inhabitants of Tacna and Arica may determine to return to the dominion of Peru. This does not

[1] Chilean Minister for Foreign Affairs.

permit her to act otherwise without violating her own national decorum and dignity. Chile is disposed to accept whatever method Peru may propose in order to assure the correctness and fairness of the plebiscite, but she can not give up the presidency thereof. In her opinion the giving up of the presidency would not tend to this end, because she does not insist upon it with the purpose of making the plebiscite unfair and incorrect, but rather because the existing legal situation requires it, and because of the rights conferred upon her by the Treaty of Ancon.

She would even be disposed to consent that the Electoral Commission be composed of four members: A Chilean, who would preside; a Peruvian, and two neutrals of differing nationalities, with the condition that in case of a tie the opinion of the President shall prevail; but this is the farthest concession she could make.

(4) In everything not inconsistent with the present proposition, Chile would accept the stipulations of the Billinghurst-Latorre protocol.

Note: In Peru this procotol is considered the ideal solution, and therefore the above formula is proposed.

File No. 944/98–101.

The American Minister to Peru to the Secretary of State.

No. 285.] AMERICAN LEGATION,
Lima, November 4, 1909.

SIR: I have the honor to state that on Saturday when calling on the Minister of Foreign Affairs, Mr. Porras, I was shown by him an interesting despatch from Mr. García, the Peruvian Chargé in Chile, reporting a recent long interview with Mr. Edwards, the Chilean Minister of Foreign Affairs, in which Mr. Edwards stated that, in reply to the good offices of the Argentine to reestablish full diplomatic representation between Peru and Chile, his Government had decided that it would not be desirable or in the interests of good relations between the two countries, nor would Chile again send a Minister to Peru until a practical settlement of the Tacna and Arica question had been reached. That to send one before that time would invite the friction of useless discussion and another withdrawal which would be much worse than the present situation. He stated frankly that the negotiation must be on a basis that would secure these provinces to Chile; that their ownership was only a sentiment with Peru while it was a necessity to Chile. This was the substance of the despatch. Mr. Porras showed me also a memorandum of Chile's terms furnished him by Mr. Pérez-Canto, the Chilean Chargé here:

1st. A plebiscite to be taken in Tacna and Arica when the Chilean obligations with Bolivia for the construction of railroads through the provinces had been completed, i. e., some five or six years hence.

2nd. All otherwise qualified voters of whatever nationality who had been residents for six consecutive months to participate in the election.

3rd. The elections to be held under judges, one selected by Peru, one selected by Chile, and the third either by the consular representatives in these districts or a friendly power.

Mr. Porras said he was having daily consultations with the leaders of Congress over these proposals, but it was impossible to accept these terms. I ventured to suggest that Chile, to secure all the proposition contained, had only to continue a few years more the

policy she has heretofore successfully pursued, and that if Peru did not clearly see an alternative she could doubtless now obtain in other directions some valuable considerations that might be lost by drifting. Mr. Porras hinted obscurely at a conflict if Chile persisted in her position, but I do not think such an eventuality need be taken into account by the Department.

I think the renewal of the discussion is a mistake. I do not think the Peruvian authorities at this time have the courage, perhaps they have not the power, to execute such a settlement as could be effected with Chile.

Since writing the above Mr. Porras kindly sent me a copy of the Chilean proposals and of the Peruvian counter propositions, which I enclose. As accurate information concerning these negotiations is confined for the present to the leaders of Congress, I beg to particularly point out its confidential character. I also enclose copies of the correspondence between Mr. Porras and Mr. Edwards over the President's allusion to the Tacna and Arica question in his message to the Peruvian Congress.[1]

I have [etc.]

LESLIE COMBS.

[Inclosure.]

CHILEAN PROPOSAL.

First. The plebiscite shall take place on a date which will permit the Chilean Government to carry out its obligations towards the Republic of Bolivia regarding the construction of a railway from Arica to La Paz.

Second. Those entitled to take part in the voting (which shall be secret) are the following: All Peruvians, Chileans and foreigners who possess:

a. The qualifications necessary to a citizen-voter.

b. Six months residence (at least).

Third. The nomination of the president of the supervising committee shall belong to Chile, as well as those of the committees on inscription and registration. These shall be composed of three members, i. e., one Chilean, one Peruvian, and one neutral chosen by the Consular Corps of Arica, or a friendly nation.

Fourth. Should any objections be found to the above articles, Chile would accept, if it would be preferable to Peru, the stipulations of the Billinghurst-La Torre protocol.

PERUVIAN PROPOSAL.

The following modifications would be necessary to the four principal articles submitted by the [Chilean] Chargé:

First. The supervising committee charged with organizing the plebiscite shall enter upon its functions within a period of three months counting from the date of signing the protocol governing the plebiscite.

Second. The persons taking part in the voting (which shall be public) shall be: All Peruvians and Chileans possessing the following qualifications:

a. Those twenty-one years of age.

b. Those who were residing in the territories previously to July 1, 1907.

Those native born citizens of the territories of Tacna and Arica who shall be present during the voting who shall have registered themselves for that purpose.

All persons in the public service or in the Army or Police employed in the provinces shall be disqualified from voting.

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[1] Not printed.

Third. The supervising committee shall be composed of three members, i. e., a Peruvian, a Chilean, and a neutral designated by a friendly nation. The latter shall be the presiding officer. The committees of registration and inscription shall also be composed of a Peruvian, a Chilean and a neutral, and the latter shall be their presiding officer.

Fourth. The supervising committee shall designate the places which shall be opened for inscribing and registering voters. In all questions of detail, other than the above, the articles of the Billinghurst-La Torre protocol shall govern.

OBSERVATIONS.

Peru is disposed to accept arbitration in case any irreconcilable difference of opinion shall arise.

Second. While Peru will accept the votes of Chilean citizens as proof of her desire to reach an understanding, she in no way recedes from the position she has always maintained as to the exclusive right of the native citizens of Tacna and Africa. In case no agreement is reached this concession must not be taken as a definite recognition [of other rights].

Third. The fact should be taken into account in judging the Peruvian proposals, that more than sixteen years have elapsed since the terms of the occupation were forced upon her.

Fourth. As there is certain contradiction between the spirit which animates the Chilean proposals and the measures taken or proposed concerning Peruvian residents [of the provinces in question] which measures have been the source of protests both verbal and written on the part of the Peruvian Government, this Government believes that these measures should be suspended, revoked or remain unenforced.

File No. 944/103.

The American Minister to Peru to the Secretary of State.

[Extract.]

No. 290.] AMERICAN LEGATION,
Lima, November 17, 1909.

SIR: I have the honor to report that when I called upon the President last week to pay my respects and to inform him of my return to my official duties the conversation took a most interesting turn, and Mr. Leguía gave me clearer information on the situation and of the hopes and purposes and policies of Peru than had before come to my knowledge.

Referring to the recent exchange of proposals, which were the subject of my hastily prepared despatch No. 285, of November 4, 1909, Mr. Leguía set forth the reasons that were controlling his course.

In the first place, he said, * * * no government could live a day that was thought to contemplate any surrender respecting their ultimate destiny. Peruvians have, therefore, to compare the disadvantages of external friction with that of internal disorder. If, however, he continued, I felt that the real interests of my country lay in such a settlement as can now be achieved with Chile, if I thought we should part with our rights respecting Tacna and Arica in consideration of a pecuniary indemnity and for the advantages accruing from the elimination of the past friction and agitation with a neighbor, I would make the arrangement and take the consequences; but I do not take that view. Chile, he continued, is a small, poor country, developed about to its limits, while Peru is a large and rich country

capable of tremendous development and growth, and in twenty years, or at some future time, is sure to be the military superior of Chile, and then we will enforce rights we will never part with. Perhaps you do not know, he said to me, that Arica has deposits of borax that have been estimated of a value in excess of £250,000,000; but while that is true, we do not consider money in taking our attitude.

* * *. Chile may annex Tacna and Arica, she may pursue whatever course of aggression she may determine upon, but she shall never have the color of Peruvian consent and we will always reserve the moral right to repossess ourselves of them when we can do so.

He said my frankness and my friendly attitude led him to be equally frank and to confide in me his innermost feelings on this question. I thanked him and said my Government would be most interested in his views, and would always, I felt sure, appreciate and protect any confidence with which we were entrusted.

While Mr. Leguía made patriotism the keynote of his conversation and the base upon which his conclusions were founded, he confirmed the opinion I have expressed in former despatches that political use is being made of the controversy by his administration to bid for popularity, or at least to distract the people from thought of revolution.

Subsequently, at the reception at the Brazilian Legation, I had a confidential conversation with Mr. Aspillaga, the Presiding Officer of the Senate, and one of the foremost men in Peru in politics, business and society. He told me that he recognized that Tacna and Arica were lost to Peru and that he was in favor of accepting that fact and of making a material settlement of the question by which Peru would get such advantage as was possible, but that the present Government could not possibly entertain such a plan: that the slightest indication of such a purpose would afford pretext for successful revolution; that public opinion must be prepared, and that the arrangement must be entered into as a national policy for which all parties would share the responsibility, or it must be conducted in settled, prosperous times by a government strongly entrenched in power, able to impose its views and face and suppress opposition. * * *

I think I should add that Mr. Leguía further stated that he entertained the views he had expressed so deeply that if he ever found Congress and other influences too strong in favor of any other course he would resign the Presidency rather than approve or share the responsibility of concession.

I have [etc.]

LESLIE COMBS.

File No. 944/108.

The American Chargé d'Affaires at Lima to the Secretary of State.

No. 314.] AMERICAN LEGATION,
Lima, January 29, 1910.

SIR: I have the honor to report that with the closure of certain churches in the Provinces of Tacna and Arica, the territory administered by Chile under the terms of the Treaty of Ancón, the po-

litical struggle between the two countries regarding these provinces seems to have entered upon a new and especially irritating phase.

In countries where religious matters are so intimately a part not only of the national politics but also of the social life of the community, the closing of the churches of Tacna and the consequent interdiction of the religious services to which a large part of the population considers themselves entitled can not but be a matter of serious import.

I would recall to the Department that the Provinces of Tacna and Arica, while administered by Chilean officials under the laws of that Republic since the signing of the Treaty of Ancón have nevertheless remained within the ecclesiastical jurisdiction of the Peruvian See of Arequipa. The Papal authority has never approved of any measures tending to subvert the authority of the Bishop of Arequipa who, according to Chilean views at least, has always reserved these appointments for Peruvian prelates.

In line with the policy of nationalization they have pursued in these provinces, the Government of Chile invoked some months ago for the first time rights granted them under the Treaty of Ancón, and demanded that every new ecclesiastical appointment in those provinces should submit to the regulations in force elsewhere in Chile, and that these appointments receive the visé of the Chilean authorities.

In the cases of the curates of Estigue, Belén, and Cedpa, and more recently of Tacna and Tarapa, and within the last few days, those of Tarata and other parishes of the occupied provinces, after the ecclesiastics appointed by the Bishop of Arequipa had refused to submit to these formalities, their parishes were declared vacant and the churches closed by the Chilean Government.

As the Vatican appears resolved to maintain the old ecclesiastical prerogatives of the See of Arequipa, at least until the question of the political sovereignty of the provinces be definitely decided, and as the Chilean Government appears equally determined to persist in its present course, the resulting privations of the religious population of those provinces have brought about a peculiarly distressing state of affairs, and one which may tend to precipitate the long-deferred solution of the political differences centering about Tacna and Arica.

I have [etc.]

WM. PENN CRESSON.

File No. 17554/22.

The American Chargé d'Affaires at Lima to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Lima, March 7, 1910.

In interview, Minister for Foreign Affairs of Peru informed me the Government of Peru has received information from Consul of Peru at Santiago that Chilean vessel with 15,000 government rifles and military supplies left for Ecuador.

Chile has ordered Peruvian priests to leave Tacna Province. Peruvian Government has ordered all of them to resist forcibly. Crisis may be expected, if such is the case.

Peruvian Legation at Santiago is to be withdrawn. Minister for Foreign Affairs of Peru formally asks United States, if such is the case, to take charge of Peruvian Legation. I await instructions.

CRESSON.

File No. 17554/22.

The Secretary of State to the American Chargé d'Affaires at Lima.

[Telegram.]

DEPARTMENT OF STATE,
Washington, March 11, 1910.

Your March 7. This Department would sincerely deplore haste or severance of diplomatic relations between Chile and Peru on account of dispute over status of priests at Tacna. Department believes that at present the giving of instructions to our Chargé d'Affaires at Santiago to take charge of Peruvian Legation would be premature.

KNOX.

File No. 944/127.

The American Chargé d'Affaires at Lima to the Secretary of State.

[Extract.]

No. 335.] AMERICAN LEGATION,
Lima, March 14, 1910.

SIR: I have the honor to report that in an interview yesterday with the Peruvian Foreign Minister I communicated to him the sense of your cable just received in answer to his formal request regarding the Santiago Legation transmitted in my cable of March 7th. * * *

This ended our formal interview.

Mr. Porras said that he had decided to expose to me (in confidence and informally) his own desires as regards the Tacna and Arica question. He said he considered an early solution not only advisable but inevitable. His own hope was that an international tribunal of American Powers (preferably the United States, Brazil and the Argentine) would be formed with full powers to judge of the merits of the case. He said that even ignoring Peru's well-founded rights (in his opinion) the award might be made acceptable by Peru in one of two ways as follows:

(1) Tacna and Arica to be erected into a buffer state;

(2) The provinces to be divided between Peru and Chile, with due consideration of Peru's rights and of the status quo.

I thanked Mr. Porras for his confidence and informed him that I would with his permission transmit the substance of our conversation (informally) to my Government. * * *

Perhaps the most important question in the present situation is: To what extent is Dr. Porras justified in his apparent reliance on

the great American Powers to intervene in the solution of the Peruvian-Chilean controversy? * * * As regards the United States, I respectfully suggest that some direct indication of the Department's views regarding the matters set forth above would be of the greatest value in the not wholly improbable eventuality of a crisis in Peruvian-Chilean affairs.

I have considered it wise to report at some length in view of the fact that whatever be the political fate of Mr. Porris, the results of his policies as indicated are likely to have a considerable influence on the foreign relations of Peru for some time to come. * * *

I have [etc.]

WM. PENN CRESSON.

File No. 723.2515/110.

The American Ambassador to Brazil to the Secretary of State.

[Telegram.]

AMERICAN EMBASSY,
Petropolis, March 17, 1910.

The Minister for Foreign Affairs, Baron do Rio Branco, informs me that on suggestion of Peru, but without disclosing that fact, he will telegraph to-day to the Brazilian Legation, Santiago, to propose to Chile to agree with the Government of Peru to submit the Tacna-Arica question to the United States, the Brazilian Republic and the Argentine Republic, for them to decide summarily upon documentary evidence, either by awarding the territory to one of the two countries or by dividing it between the two or by establishing it as an independent sovereignty guaranteed by the three disinterested States.

Rio Branco personally favors ending the dispute by giving Tacna to Peru and Arica to Chile.

DUDLEY.

File No. 723.2515/113.

The American Chargé d'Affaires at Santiago to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Santiago, March 20, 1910.

Peruvian Chargé d'Affaires informs me that yesterday he passed a note to the Chilean Government withdrawing the Legation on account of violent attitude of Chile in regard to Peruvians in Tacna and the inability of the Legation to modify Chilean policy.

He officially requests me to take charge of the archives of the Peruvian Legation. I again quoted telegram March 11 and said that I would ask for instructions. Peruvian Chargé d'Affaires very anxious for reply.

PIERREPONT.

File No. 723.2515/141.

The American Minister to Argentina to the Secretary of State.

AMERICAN LEGATION,
No. 292.] *Buenos Aires, March 21, 1910.*

SIR: I have the honor to report that I have to-day visited the Foreign Office to make some inquiries concerning the approaching centennial celebration. On my arrival there a newspaper reporter told me that Chile and Peru had just broken off diplomatic relations. The Minister for Foreign Affairs did not know that I had received this news. He soon introduced the subject of the Tacna-Arica dispute between Chile and Peru and spoke upon it at considerable length. The impression made upon me was that he was favorable to Chile. He seemed to feel that the failure to hold the plebiscite required by the Ancón Treaty was not the fault of Chile (which had proposed methods of holding the same) but the fault of Peru in refusing all the Chilean proposals. He was particularly bitter against Mr. Riva Agüero, the Peruvian Minister here, whom he characterized as impractical and unwilling to receive friendly suggestions. He dwelt largely upon what he called the unsettling influence that the Brazilian Minister for Foreign Affairs had exercised upon this question, charging him with stirring up the Peruvians so as to obtain from them a cession of territory to secure Brazil's cooperation in case of war, which cooperation he believed would not be forthcoming when the occasion for it arose. The only comment I made upon his remarks was that it seemed unfortunate that the much-vexed Tacna-Arica question could not be removed from South American politics.

I have [etc.]

C. H. SHERRILL.

File No. 723.2515/113.

The Secretary of State to the American Chargé d'Affaires at Santiago.

[Telegram.]

DEPARTMENT OF STATE,
Washington, March 22, 1910.

In the regrettable event of the withdrawal of the Peruvian Chargé d'Affaires you are authorized to comply with the request to accept the custody of the Peruvian Legation.

KNOX.

File No. 723.2515/113.

The Secretary of State to the American Chargé d'Affaires at Lima.

[Telegram.]

DEPARTMENT OF STATE,
Washington, March 22, 1910.

You will reply to the formal request of the Minister for Foreign Affairs by stating that the following instruction has to-day been cabled to the Chargé d'Affaires of the United States at Santiago:

[See next above.]

KNOX.

File No. 723.2515/114.

The American Chargé d'Affaires at Lima to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Lima, March 22, 1910.

I had an interview with the Minister for Foreign Affairs of Peru and communicated your cable of March 22, answering request. He thanks you and will indicate form.

He informed me he has informally requested Brazil to mediate and Minister for Foreign Affairs of Brazil inclined to accept.

Minister for Foreign Affairs of Peru said he hopes Brazil will suggest that the United States also take action.

The Argentine Minister here has admitted to me his country wishes to intervene with the United States.

Chilean Chargé d'Affaires here leaving. He informed me he submitted a definite proposal on the 15th.

CRESSON.

File No. 723.2515/137.

The American Chargé d'Affaires at Santiago to the Secretary of State.

[Extract.]

AMERICAN LEGATION,
No. 71.] *Santiago, March 22, 1910.*

SIR: By my cable of the 20th instant the Department was informed that the Peruvian Legation in Santiago has been withdrawn on account of the violent attitude of Chile toward Peruvians in Tacna and Arica, the expulsion of the Peruvian priests, and the futility of all efforts on the part of the Legation to cause the Government of Chile to heed the desires of Peru. * * *

Though the causes mentioned are the ones advanced by Peru for withdrawing its Legation I am led by the Peruvian Chargé d'Affaires, Señor Arturo García Salazar, to understand that the expulsion of the curates is regarded as the climax of a series of events, namely the expulsion from Tacna and Arica of Peruvian freight-handlers and laborers and the sending of arms to Ecuador, all of which are considered by Peru as evidence that Chile intends simply to disregard Peruvian protests and that a Legation here is of absolutely no account as regards the policy and actions of Chile. Rather than to continue to protest in vain, Peru has found it more dignified simply to withdraw; at least such is the opinion of Señor García.

Obedient to your telegram of this morning, I have communicated to Señor García the fact that I am authorized to accept the custody of the archives of the Peruvian Legation as requested by him, and I have received from him two cases said to contain the said archives.

It appears that shortly before the withdrawal of the Legation the Government of Peru received a note from the Chilean Govern-

ment suggesting the basis for holding plebiscite.[1] This proposal differed from former ones only in that the plebiscite should be supervised by one Chilean, one Peruvian, and a third individual to be chosen by the Foreign Consular Corps resident in Tacna, but it specified a residence of only six months, the plebiscite to be held six months from the ratification of the protocol providing therefor.

The Government of Peru has not yet replied to this proposal though the Chilean newspapers state that the withdrawal of the Legation is Peru's answer.

I have [etc.]

SETH L. PIERREPONT.

File No. 723.2515/115.

The American Chargé d'Affaires at Santiago to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Santiago, March 23, 1910.

Recent Chilean proposition for plebiscite Tacna differs little from former proposals except to provide for supervision by one Chilean citizen, one Peruvian and a third person to be chosen by foreign consuls. Threat added that if Peru does not accept proposal Chile will hold independent plebiscite and pay Peru the ten million pesos indemnity. Peru has not yet replied.

PIERREPONT.

File No. 723.2515/110.

The Secretary of State to the American Ambassador to Brazil.

[Telegram.]

DEPARTMENT OF STATE,
Washington, March 24, 1910.

Your telegram March 17. The Government of the United States of course fully shares the hope of the Government of Brazil for a definite settlement of the Tacna-Arica dispute. As for the Baron Rio Branco's important suggestion made to Chile—that the Governments of Chile and Peru submit the question to those of Brazil, the Argentine Republic and the United States—if this plan were acceptable to Chile and Peru the Government of the United States would be prepared to respond to their request by contributing what it might toward a satisfactory solution of this very troublesome problem.

It is evident that this question has had an indirect but very irritating effect upon the former Peru-Bolivia and the present Peru-Ecuador questions.

While expressing great regret at the withdrawal of the Peruvian Chargé d'Affaires from Santiago, this Government has acceded to

[1] This note is printed as Inclosure 2 to Mr. Pierrepont's No. 74 of April 5, post.

the request that the Chargé d'Affaires of the United States take custody of the Peruvian Legation.

Repeat your telegram and this reply to Buenos Aires, Santiago, Lima and Quito for their confidential information.

KNOX.

File No. 723.2515/116.

The American Chargé d'Affaires at Lima to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Lima, March 24, 1910.

I had an interview with the Minister for Foreign Affairs of Peru late yesterday. He communicated Peruvian President's thanks for your cable of March 22, and asked if the United States would undertake protection of Peruvian citizens in Chile. I answered informally, referring to precedent of the United States in charge of Argentine and Bolivian archives. He expressed satisfaction. My opinion is that State Department should confirm or instruct further. Situation unchanged.

CRESSON.

File No. 723.2515/117.

The American Chargé d'Affaires at Santiago to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Santiago, March 26, 1910.

Your telegram March 24, via Petropolis. Chilean Minister for Foreign Affairs told me that Chile is determined to end Tacna-Arica dispute and to abide by Ancon Treaty as she interprets it, but needs territories economically and strategically and intends to keep them, but would be willing to pay Peru much larger indemnity than that specified; and added that should any neutral power desire to assist the settlement it should address Peru, urging the acceptance of a money indemnity, Chile being very determined. As to the threat referred to in my March 23, the Minister said: "We did not say so", emphasizing the word "say".

PIERREPONT.

File No. 723.2515/116.

The Secretary of State to the American Chargé d'Affaires at Santiago.

[Telegram.]

DEPARTMENT OF STATE,
Washington, March 26, 1910.

The Government of the United States, through its Legation at Lima, has been requested to undertake the protection of Peruvian

citizens in Chile. The Government of the United States is willing that its Legation exercise its impartial good offices in their behalf. You will, if the Chilean Government consents, act accordingly during the suspension of diplomatic relations.

Repeat to Lima for information.

KNOX.

File No. 723.2515/119.

The American Minister to Argentina to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Buenos Aires, March 28, 1910.

The Argentine Minister for Foreign Affairs today volunteered the statement that he had heard from Peru that there is a project for the intervention of the United States, Brazil, and the Argentine Republic to refer Tacna-Arica question to The Hague or Brazil. He replied to his informant that it was impossible that the United States and Brazil would have used the name of Argentina in such a matter without informing the Argentine Government. He has heard nothing directly or indirectly on this subject from the Government of Brazil. He is willing to join the United States in any move. As a reply to his inquiry if I knew of the rumored project I offered to telegraph his above statement to the Department and he asked to be advised of the Department's reply.

SHERRILL.

File No. 723.2515/136.

The American Chargé d'Affaires at Lima to the Secretary of State.

No. 338.] AMERICAN LEGATION,
Lima, March 29, 1910.

SIR: I have the honor to report that on receipt of the Department's cable of March 22, following the withdrawal of the Peruvian Legation at Santiago, I called at the Foreign Office and communicated to the Minister for Foreign Affairs the orders transmitted by my Government to our Chargé d'Affaires to accept the custody of the Peruvian Legation at the Chilean capital. He thanked me informally and said that after laying the matter before the President he would indicate a more formal and definite acceptance on the part of his Government.

In another interview, on March 24, he asked me to convey the President's thanks to my Government. He also inquired whether I had had any indications of the scope of my Government's proposed action, and especially whether they would undertake the "protection of the rights of Peruvian citizens in Chile." I answered by quoting the terms of the Department's cabled instructions, and informally added that it was my impression that my Government would undertake the custody of the Peruvian Legation in the sense that that term generally implied, using their good offices whenever necessary. I also referred to the recent precedent of my Government's action in view of the rupture of diplomatic relations between

the Argentine Republic and Bolivia. Dr. Porras expressed himself satisfied to accept this action as a precedent in the present case.

I have [etc.]

WM PENN CRESSON.

File No. 723.2515/142.

The American Ambassador to Brazil to the Secretary of State.

No. 508.] AMERICAN EMBASSY,
Petropolis, March 31, 1910.

SIR: I have the honor to report that in pursuance of your telegram of the 24th instant I at once repeated or caused to be repeated to our Legations at Buenos Aires, Santiago, Lima and Quito for their confidential information my telegram to the Department of the 17th and the Department's telegraphic reply of the 24th instant, relating to the Tacna-Arica question between Chile and Peru.

In conversation with Baron do Rio Branco on the 28th instant this subject was reverted to and I advised him with reference to his suggestion made to Chile—that the Governments of Chile and Peru submit their question to those of Brazil, Argentina and the United States—of the readiness of the Government of the United States, in case the plan were acceptable to Chile and Peru, to respond to their request by contributing so far as possible to a solution of the difficulty.

The Baron then informed me confidentially that his overtures had so far resulted in failure, the Chilean Government declining to consider his proposal or anything savoring of arbitration. He had then proposed that the three countries be asked as amiables compositeurs to determine solely a proper division of the provinces between the contestants, but this suggestion also was rejected. The only concession Chile was willing to make was to authorize the Brazilian Government to offer Peru clear title to the Province of Talara, an interior and valueless strip claimed to have been turned over to Chile along with Tacna and Arica at the end of the war—a fact denied by Peru. This offer, as a settlement of the long-standing question, was so manifestly unentitled to serious consideration that it will not be officially communicated to Peru by this Government.

I have [etc.]

IRVING B. DUDLEY.

File No. 723.2515/119.

The Secretary of State to the American Minister to Argentina.

[Telegram.]

DEPARTMENT OF STATE,
Washington, April 1, 1910.

Your March 28. If desirable you may intimate to the Minister for Foreign Affairs that, as I have told the Chargé d'Affaires here, whatever the United States has heard of the reported project (which did not emanate from Washington) was entirely hypothetical and

preliminary and was of course fully considerate of the Argentine Government.

Repeat your March 28 and this reply to Petropolis for Dudley's information.

KNOX.

File No. 723.2515/124.

The American Chargé d'Affaires at Santiago to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Santiago, April 1, 1910.

Your March 26. Chilean Minister for Foreign Affairs replies verbally to my note[1] as follows:

Chile will always be pleased to have the United States extend good offices to citizens of any third nation not having its own Legation, as in the case of China, when Chile gladly accepted American representation. But in the present case Chile considers it to be desirable that the United States should not act in behalf of Peruvians on account of the following reasons:

First. Chile believes Peru does not seek protection for its citizens, who had all necessary protection from their consuls during other suspensions of diplomatic relations, as from 1901 to 1905, but rather a means of disturbing the friendly and cordial relations existing between the United States and Chile by constantly urging this Legation upon any pretext to press Peruvian claims. Peru has for years followed policy of pressing claims and would surely accentuate it if she could count on such influential intermediary as the United States.

Second. Peru is interested in estranging the United States and Chile for without reason she feels that such estrangement would be to her advantage in Tacna-Arica dispute. As Peru has ulterior motives her request to the United States may be viewed with suspicion.

Third. Peruvian public opinion has hoped for American aid in this dispute, and that of Chile has feared that such hope might have some foundation. Even though the two Governments know this to be inexact, general opinion would be likely to exaggerate the importance of good offices sought, and thus stimulate Peru to resist a solution and provoke in Chile a mistrust which Chile earnestly desires to avoid. This would tend to postpone the solution, which surely is contrary to the desires of the United States.

Chile considers that in thus manifesting the pleasure which she would experience if, in this case and for the reasons cited, the United States should avoid taking charge of dealings which Peru wishes to turn over to her and which the United States could not have eluded of her own accord without appearing little friendly to Peru, she is performing an act friendly to the United States and facilitating a reply to Peru in harmony with the often repeated desires of the United States not to intervene in pending questions unless requested by both Chile and Peru.

Chile believes that a verbal answer to this question is more friendly and deferential to the United States. She would have adopted and will adopt towards any other friendly nation with which she desires, as in the case of the United States, to strengthen her relations, and from which Peru might solicit the same good offices, this identical attitude.

Foregoing is an accurate memorandum of what Minister for Foreign Affairs said and appears especially significant because Chile is going to subject inhabitants of Tacna-Arica to obligatory military service.

Minister for Foreign Affairs declares that Chile is going to finish the matter now.

PIERREPONT.

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[1] This note is printed as Inclosure 1 to Mr. Pierrepont's No. 74 of April 5, post.

File No. 723.2515/125.

The American Chargé d'Affaires at Santiago to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Santiago, April 2, 1910.

My April 1. Peruvian counter proposal on the basis of dividing territories, received yesterday by Chilean Minister for Foreign Affairs through Brazilian Minister, was found utterly unacceptable as Chile needs both territories for military defense. The Minister for Foreign Affairs says he told Brazil that Chile would be disposed to pay as much as three million pounds sterling indemnity for both Tacna and Arica and that if Peru would accept the decision of a third nation or of the United States, Brazil and Argentina on the basis that Chile will keep Tacna and Arica, Chile would be willing to pay even more should the Powers so decide, and also to cede Tarata.

PIERREPONT.

File No. 723.2515/126.

The American Ambassador to Brazil to the Secretary of State.

[Telegram.]

AMERICAN EMBASSY,
Petropolis, April 2, 1910.

My March 17. Brazilian Minister for Foreign Affairs, March 28, confidentially informed me Chile had declined to consider his proposals or anything in the nature of arbitration of the Tacna-Arica question. He asserted Chilean Minister for Foreign Affairs is prejudiced by unfounded suspicion of some secret understanding between Brazil and Peru consequent upon recent settlement of their boundary question. Brazilian Minister for Foreign Affairs intends therefore to leave the matter in abeyance pending the arrival of President Montt on this coast.

Have advised Buenos Aires.

DUDLEY.

File No. 723.2515/129.

The Secretary of State to the American Chargé d'Affaires at Lima.[1]

DEPARTMENT OF STATE,
No. 110.] *Washington, April 2, 1910.*

SIR: For your information I quote a memorandum of a conversation between the Assistant Secretary of State and Mr. Villegas, Argentine Chargé d'Affaires at Washington, March 30, 1910:

Mr. Villegas called for a response to the question involved in a paraphrase of a telegraphic instruction which he received from his Government on March 29, which he left at the Department on the day of the receipt of the instruction.

[1] The same to the Embassy at Petropolis, the Legation at Buenos Aires, and the Legation at Santiago de Chile.

This question referred to a reported project of Brazil for mediation by the United States, Brazil and Argentina to refer the Tacna-Arica controversy to The Hague or to Brazil.

The Assistant Secretary of State told the Argentine Chargé d'Affaires that the Department had received a similar inquiry from Minister Sherrill, and that the Argentine Minister for Foreign Affairs seemed to have inaccurate information, in that the Department had heard nothing of any proposal to refer the Tacna-Arica question for decision by Brazil or by The Hague. The Assistant Secretary intimated that the Minister for Foreign Affairs had given Mr. Sherrill the impression that he thought the name of the Argentine Republic had been used without authorization in an improper manner. The Chargé d'Affaires evidently had this idea.

The Assistant Secretary of State said that what the Department had heard was through informal conversation with the Ambassador at Petropolis, who understood that Baron Rio Branco, at the instance of Peru, was sounding Chile as to whether a joint effort by the Argentine Republic, Brazil and the United States to settle the question between Chile and Peru would stand any chance of acceptance. The Assistant Secretary pointed out that the question was altogether hypothetical; that if it became a practical question the Department understood Argentina, Brazil and the United States would take part jointly and equally. He pointed out that of course the question could not become a practical one without prior acquiescence by Argentina. The Assistant Secretary intimated that in sounding out the theory, Brazil had to begin somewhere, and this doubtless accounted for the fact that Argentina had not been sounded already. He also intimated that it would seem to be for Brazil rather than for the United States to explain the idea.

The Assistant Secretary of State said that the Department had replied to Brazil with an assurance of this Government's sharing as a matter of course the universal hope that the very troublesome Tacna-Arica question should be settled; adding that should such a theory commend itself to Chile, Peru, Argentina and Brazil and the question thus become practical instead of hypothetical, this Government would be ready, as usual, to respond to the request to join in doing what it could to improve the situation. The Assistant Secretary said that the Department was sitting quietly and doing nothing under present circumstances.

The Assistant Secretary of State told the Argentine Chargé d'Affaires that the Department would telegraph Minister Sherrill in this sense, and added that he was at liberty confidentially to telegraph his Government. The Assistant Secretary added that, for the obvious reason that any proposal would be less likely to be accepted by Chile if it were known that Peru had instigated it, Baron Rio Branco desired the fact that he had evolved this theory at the instance of Peru treated as especially confidential at this time.

I am [etc.]

KNOX.

File No. 944/140.

Memorandum handed to the Assistant Secretary of State by the Minister of Chile.

The American Chargé d'Affaires sent to this Department a communication stating that Peru has left to his care the archives of the Legation at Santiago and that the American Government has been requested to take charge of the protection of the Peruvian citizens in Chile during the rupture of the relations. In this regard he wishes to ascertain whether such a representation—which would be limited to the exercise of impartial good offices, when necessary—would be agreeable to Chile. I have answered verbally as follows:

"Chile would be very pleased to see the United States represent any third country not having her own representation in Chile, as happened last year in the case of China, when the American representa-

tives were recognized by Chile with genuine satisfaction. In the present case, however, it would be desirable that the American Government would not undertake the representation of Peru, for the following reasons:

"First Because Peru, with this protection to her citizens—who are not in danger and who on other occasions of rupture, as was the case from 1901 to 1905, were sufficiently protected by her own consuls—only seeks to disturb the cordial relations existing between the United States and Chile."

Please inform the Secretary of State of the foregoing reasons and let him know that the communication of the Chargé d'Affaires of the United States at Santiago has not been answered in writing, Chile believing that it thus acts with greater deference towards the United States Government, and that it would have dealt in an identical way with any other friendly nation in the same position as the United States.

FOREIGN OFFICE,
Santiago, April 4, 1910.

File No. 944/139.

Memorandum of a conversation held by the Assistant Secretary of State with the Minister of Chile.

Mr. Cruz, Minister of Chile, called at eleven o'clock by appointment. He said that our Chargé d'Affaires at Santiago had written to the Foreign Office saying that besides taking custody of the archives of the Peruvian Legation, which has been withdrawn, this Government has been requested by Peru to leave him to look after the interests of Peruvians in Chile, and he was directed to inquire whether this was agreeable to Chile. He handed me a paraphrase of his instruction, which I read and found similar to Chargé Pierrepont's telegram.

After reading it very slowly and reflecting a while, I said that this surprised me very much; that it looked as if the Minister for Foreign Affairs did not fully understand what we had acquiesced in Peru's request to do; that it was nothing like mediation, a pressing of claims or an advocacy of anything; that it was simply the habitual arrangement so common to diplomacy, i. e. allowing one's representative to be an impartial channel of communication. I said never, in all my reading, had I heard of a case of any government refusing to lend such offices or of any case where the government at the capital from which a legation had been withdrawn had refused to acquiesce in such an arrangement.

I said the request of Chile was a very difficult one and I could not answer offhand but must lay the matter before the Secretary in order that he might give it full consideration, after which I would let the Minister know (to-morrow or so) whether the Secretary could receive him and discuss it.

I said that, speaking personally, it seemed to me that Chile's refusal to allow Peru this very conventional and usual privilege, sanctioned by the whole history of diplomacy, would appear an

exceedingly hostile act, and that, for our part, to refuse Peru would place us, not in a position of impartiality, but, in view of the unusualness of such a refusal, in a position of distinct hostility to Peru.

The Minister's tone was one of intense animosity toward Peru, which he sought to blame for unjustifiably withdrawing the Legation. He said that although the Chilean Government might understand, the Chilean people would certainly misinterpret our granting Peru's request into an effort at mediation. He said that the Chilean people all remembered Mr. Blaine's effort at mediation during the war which gave rise to this Tacna-Arica dispute; that they all remembered the names of Trescot and Hurlbut, and that they would think that the United States was again intervening. He said this in a very considerate and pleasant way and said that his whole work in Washington had been in the effort to create the most friendly relations between Chile and the United States, and he hoped that anything that might be misunderstood by the Chilean people could be avoided.

I said I well remembered the history of our attempted mediation during the war and that I thought it the most unsatisfactory page of our diplomacy because it had been ineffective. I added dryly, that if we had not intervened at that time history showed clearly that France or Great Britain would have done so, and effectively.

I expressed astonishment that the Chilean public should be ready to misunderstand so customary a diplomatic situation as one legation naming good offices impartially on behalf of a country and its citizens when not represented by their own legation, and I brought out the point that we were requested to take action entirely at variance with all diplomatic precedent simply because the Chilean public did not understand that the action was nothing like mediation. I added that, speaking personally, I feared that if his Government felt so strongly they would have to put us in a position to say that we had been entirely willing but that the Chilean Government had categorically refused to agree. He deprecated such an idea and intimated that their whole desire was that we should say to Peru that we had reason to believe that our lending the Legation in the manner desired would be misunderstood and would not be entirely agreeable to Chile.

DEPARTMENT OF STATE,
Washington, April 4, 1910.

File No. 723.2515/145.

The American Chargé d'Affaires at Santiago to the Secretary of State.

No. 74.] AMERICAN LEGATION,
Santiago, April 5, 1910.

SIR: Referring to the Department's cable of March 26, regarding good offices to Peruvian citizens in Chile, I have the honor to transmit a copy of the note which, in the absence of the Minister for Foreign Affairs, I handed to the Sub-Secretary for Foreign Affairs

on March 28, in accordance with the Department's instructions. The answer to this note was given verbally by the Minister for Foreign Affairs and cabled to the Department in full on April 1, the day after the Minister's return to Santiago.

The Minister for Foreign Affairs, in making it clear that Chile would be pleased if the United States should refrain from extending good offices to Peruvian citizens in Chile, was evidently desirous of so wording his reply that the Government of the United States should not be offended, and in my cable I endeavored to communicate as nearly as possible his own words.

That the Department may be fully aware of Chile's attitude as now expressed on this long-disputed question of Tacna and Arica, I inclose also copies and translation of the note directed by the Minister for Foreign Affairs of Chile to the Government of Peru under date of March 3 last proposing bases for holding the plebiscite. A great deal of bitter comment was caused here by the fact that the Peruvian Legation was withdrawn two or three days after the Peruvian Government is said to have received this communication, and it was generally stated that the withdrawal of the Legation was Peru's answer to a note couched in friendly though positive terms.

As reported in my cable of April 2, however, Peru made answer in the form of a counter proposal suggesting, I am informed by the Minister for Foreign Affairs, the division of the territories, which answer was communicated to Chile by the Brazilian Minister. In stating that such a proposal could not be accepted by Chile, the Minister for Foreign Affairs told me frankly that Chile considered the possession of Tacna and Arica absolutely necessary for the proper military defense of her all-important territory in Tarapacá. He appears anxious that the United States should understand why Chile is so determined to keep the disputed territories; that she wants them for the best reasons, as he called military defense; and that she is pursuing a determined policy, not out of caprice nor to take advantage of Peru, but because she feels she needs the territories. He added that, as he had informed Brazil, Chile would be disposed to pay as much as £3,000,000 as indemnity for the two territories.

In my cable of April 2 I went on to say that the Minister had also told Brazil that if Peru would be willing to accept the decision of a third nation or of the United States, Brazil, and the Argentine Republic on the basis that Chile should keep Tacna and Arica, Chile would be willing to pay even a larger sum if the third nation or group of nations should so decide, and also to cede Tarata. In a later conversation with the Minister for Foreign Affairs I learned that he said this only to me and that he had not said it to the Brazilian Minister.

His idea seems to be that Peru would do well to accept such a sum, being so badly in need of money as she is; that Chile is ready to go to great sacrifices to keep Tacna and Arica; and that if the two countries could agree to submit the question to the decision of another power with the previous understanding that such decision would give Tacna and Arica to Chile and to Peru the Department of Tarata and a large indemnity Chile would be willing to pay whatever sum such decision demanded. The Minister evidently thinks that if such a previous understanding could be kept secret

the Government of Peru would be willing to accept such a solution, as it could deceive the people of Peru into thinking that the plan proposed was a genuine arbitration.

The mention of £3,000,000 goes to show that Chile is prepared to seek a peaceful solution of the difficulty, and I think I am safe in stating that such is the case.

The recent agitation has proved conclusively the general fear among the people of Chile that the United States would intervene, an opinion which seemed to be partially based on the fact that so much American capital is invested in Peru. Thus, the disinterested attitude of the United States appears to have gone a long way toward restoring trust in her on the part of the people of Chile. Certain it is that in Government circles there is a better disposition than there has been for months toward the United States.

I have [etc.]

SETH L. PIERREPONT.

[Inclosure No. 1.]

The American Chargé d'Affaires to the Minister for Foreign Affairs.

No. 59.] AMERICAN LEGATION,
Santiago, March 28, 1910.

MR. MINISTER: I have the honor to inform your excellency that the Government of the United States, through its Legation at Lima, has been requested by the Government of Peru to undertake the protection of Peruvian citizens in Chile.

My Government, in communicating this request to me, says that it is willing that this Legation should exercise its impartial good offices in behalf of such Peruvian citizens during the suspension of diplomatic relations between Chile and Peru.

I am therefore instructed—provided, of course, that the Government of your excellency consents to such action on the part of this Legation—to exercise my impartial good offices in behalf of Peruvian citizens in Chile. I would be pleased to know whether, in case the necessity for such protection or good offices should arise, it would be agreeable to the Government of Chile that I should exercise the same.

I should also make known to your excellency that the late Peruvian Chargé d'Affaires confided the archives of the Peruvian Legation to my custody.

I seize this occasion to renew [etc.]

SETH L. PIERREPONT.

[Inclosure No. 2—Translation—Extract.]

The Chilean Minister for Foreign Affairs to the Peruvian Minister for Foreign Affairs.

SANTIAGO, *March 3, 1910.*

MR. MINISTER: My Government is in possession of the communication that your excellency has been so good as to send on the 23d of December last, dwelling upon the observations due the Government of your excellency by certain measures taken by mine in the territory of Tacna and Arica. * * *

In the correspondence of your excellency's Government that I have just cited it has been demonstrated in a manner that Peru has not yet been able to refute that according to the letter and the spirit of the Treaty of Ancon the districts of Tacna and Arica were ceded to Chile in plain and absolute sovereignty, without any limitation as to her control and only limited as to duration by the event of a plebiscite called for after ten years had passed.

If the plebiscite has not been held yet, it is because your excellency's Government seeks to restrict the right of suffrage, divesting of the rights of natu-

ralization the very essence of the plebiscite act, which, as its name indicates and diplomatic precedents confirm, should be popular; and because, moreover, Peru demands that Chile suspend, during the process, the exercise of a sovereignty which only the adverse result of the plebiscite itself can extinguish.

It is not Chile, as your excellency says it is, that is the obstacle in the way of realizing the plebiscite, because she may not have decided to come to an agreement with Peru. Your excellency, on stating that, forgets her reiterated propositions which have always been turned down.

For the rest, I should remind your excellency that the plebiscites recorded in history prove that these are measures adopted by governments to mitigate, with the appearance of a popular vote, a cession or an annexation agreed upon beforehand, thus avoiding, as far as possible, the wounding of the national pride of the country dismembered.

The reason is obvious: The governments can not seriously consent to leave to the result of voting the fate of a territory susceptible, as in this case, of representing the security of their frontiers and the compensation of sacrifices of blood and money.

The preliminaries, the alternatives, and the incidents of the diplomatic negotiations which resulted in the pact of Ancon clearly demonstrate that the plebiscite would be the only manner shown by history for satisfying the territorial exigencies of Chile without deeply injuring a national sentiment of Peru, which is supported by certain elements in order to bring down the vacillatory Government of the celebrated General Iglesias, who agreed to it. * * *

Before entering on more practical ground, and above all more effective for the desired object of putting an end to this difficulty that has already lasted more than a quarter of a century, for the sake of the friendly relations which my Government would like to have at all times with yours, I shall give you an exact explanation, if not of the right, which is indisputable, of the notions which induce my Government to take measures in Tacna and Arica which your excellency rates, in the note I am answering, as grave acts.

Of all the observations which your excellency makes, none surprise my Government more than the one relating to the opening of new industries in the Province of Tacna.

First of all, the opening of industries called upon to develop as best they can where free competition exists can not be material for discussion between two Governments; and the fact that your excellency takes up the question indicates that you consider it possible to restrict the freedom of commerce, the fundamental base of the progress of nations.

The Government, convinced of the importance that the growth of industries has for the future of the Republic, protects and fosters them throughout the country, taking advantage of the various measures which the laws grant; and thus as factories for woven goods, shoes, cloth, steel, sugar, paper, and tobacco are prospering in other Provinces, it is hoped that those recently opened in Tacna, bringing down the prices for the consumers of the articles they produce and creating new centers of activity, will flourish.

My Government fulfills the duties inherent to the sovereignty it exercises in those territories by expediting and encouraging the opening of new industries, and considers that even in cases of districts notably contentious it is permitted to foster industries which guarantee the rights that are disputed.

To prove this statement I need only to appeal to the liberality of sentiments of your excellency, who will have to admit as the truth that Peru has encouraged in every way possible the creation of Peruvian interests in all territory she has disputed or is disputing with bordering nations.

In the very Province of Tacna your excellency's Government protects and helps not only agricultural, commercial, and industrial interests of Peruvian subjects, but also direct means of active propaganda to keep hidden its ancient acts of entailing, which my Government has tolerated up to the present time in spite of the abuses that have been committed in order to denigrate it for tolerating the same.

Your excellency's equity of spirit will doubtless cause you to recognize the fact that it is not possible to qualify as grave and abusive that which your excellency's own Government practices with even greater zeal.

My Government, in its communication of March 25, 1908, proposed to yours different ways by which the two countries could come to a perfect agreement, and among them the holding of a plebiscite on conditions that were equitable, but to no purpose.

Unfortunately, its propositions were not well received, and your excellency's Government stated that for the present it wanted to limit itself to an agreement with mine as to the conditions for holding the plebiscite.

For the sake of cordiality and a national sentiment, my Government desires once more to be deferential to that of your excellency, and, leaving to one side juridical considerations and historical precedents which fix the real meaning of the plebiscite, proposes to celebrate it according to the following bases:

1. The plebiscite shall take place six months after the ratification of the protocol.

2. All the acts of the plebiscite shall be under the vigilance of a "governing board" and realized by "commissions of inscribers" ("comisiones inscriptoras") and "commissions of receivers" ("comisiones receptoras").

3. The governing board that will act in the city of Tacna, as well as the committees of both classes that will act in Tacna and Arica, shall be composed of three members, as follows: One named by the Government of Chile, another by the Government of Peru, and a third elected by the consular corps resident in Tacna or in Arica, by a majority of votes.

The presidency of the governing board and of the two committees shall correspond to the member named by the Government of Chile.

4. The duties of the governing board shall be:

(*a*) To make out and publish a list of all the voters, in conformity with the partial lists of the committee on registration.

(*b*) Practice a general vigilance, proclaim the result of the plebiscite, and communicate the result to the Governments of Peru and Chile.

(*c*) To decide upon all questions and doubts that may arise in the registration, voting, and other acts of the plebiscite.

(*d*) To dictate all the measures that would insure correctness and seriousness in the proceedings of the plebiscite and public order during election time.

5. The committees on registration shall be installed, one in Tacna and another in Arica, within the eight days following the constitution of the governing board, and shall hold their sessions continuously for twenty days, from 10 in the morning until 4 o'clock in the afternoon, registering all those who apply and have the following requisites:

6. Male Chileans, Peruvians, and foreigners who fill the following conditions shall be eligible to registration:

(*a*) Twenty-one years of age.

(*b*) Know how to read and write.

(*c*) Six months' residence in the territory.

7. The committee on registration shall hand to each individual a certificate of registration which he should afterwards present to the receivers.

8. Whenever the committee on registration refuses to register an individual it shall make note of it in the minutes of the session of that day, the name of the person refused and the reason for the refusal, and the party concerned shall have a right to demand a copy of the part of the minutes that refers to him.

9. At the foot of the last list the members of the committee on registration shall sign their names every day, placing before their signatures, in writing, the number of individuals registered during the day.

10. At the end of the time set for the registration, the governing board shall cause the lists to be published, within the eight days following, in the newspapers of Tacna and Arica and on posters placed on the public buildings.

11. Within the fifteen days following this publication those who wish to complain about their exclusion may present themselves before the governing board, and at the end of that time the registration will remain definitely formed with the changes recommended by the board.

12. The final list of voters being completed, the governing board shall name, within the eight days following, the date on which the polls shall be open. The polls shall be open on the appointed day from 8 o'clock in the morning until 6 in the afternoon, and the tellers shall be the same individuals who formed the committees of registration.

13. The voters shall present their tickets of registration at the time of voting, and that ticket shall be canceled by the tellers and exchanged for a certificate which shall show that the individual has voted.

14. When all the votes are in, the commission shall make a partial examination of them and shall turn them over to the governing board, together with the acts, registers, canceled registration tickets, and other documents they may have in their power.

15. Within the next twenty-four hours the governing board shall count the votes at one sitting and shall proclaim the result.

16. The governing board and the two committees shall be entirely independent in the exercise of their functions, and the president of each one of them shall take the necessary means to maintain order and to insure liberty to the voters.

17. The governing board and the committees shall only perform their functions when there is a majority of their members present, and when any one of them is disabled he shall be replaced during his illness by some one named by the authority who named the disabled party.

18. All resolutions must be passed by a majority of votes.

19. A special protocol that shall be signed at the same time as the one fixing the conditions of the plebiscite shall determine the administrative acts of the Government of Chile and the rights of third parties that Peru engages to respect, in case the result should be favorable to her, as well as the pecuniary indemnities which may be owed for any reason.

Such liberal and equitable propositions must deserve frank and favorable reception by your excellency's Government if it cares to settle the difficulty pending according to the stipulations of the Treaty of Ancon. The conditions and requirements as to the time when the plebiscite should take place, the nationality of the voters and other requisites pointed out, and the presidency of the act are not new to your excellency, since they have been formulated already by the representative of Chile in Lima. * * *

May your excellency see in the suggested bases the high spirit of justice that inspires my Government and the efforts she puts forth to give Peru unquestionable proof of her intention, never broken, of complying with the treaties she has signed.

I take this opportunity [etc.]

AGUSTIN EDWARDS.

File No. 723.2515/131.

The American Charge d'Affaires at Lima to the Secretary of State.

[Telegram—Extract.]

AMERICAN LEGATION,
Lima, April 6, 1910.

Minister for Foreign Affairs of Peru informed me diplomatic council last night affirmed policy of leaving Chilean question entirely to the Brazilian Government, which has just now formally approached Government of the Argentine Republic. Minister for Foreign Affairs of Peru informally said United States attitude requiring request of both together explains Peruvian appeal to the Brazilian Government.[1]

CRESSON.

File No. 723.2515/132.

The American Minister to Argentina to the Secretary of State.

[Telegrams.]

AMERICAN LEGATION,
Buenos Aires, April 9, 1910.

Invited to Foreign Office by Argentine Minister for Foreign Affairs who requested me to telegraph you that, in the matter of Tacna-Arica, instead of dealing directly with Brazilian Minister for Foreign Affairs, he preferred to await your decision and then join with you and Brazil in manner you decide.

SHERRILL.

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[1] See the Department's March 24 to the Ambassador to Brazil.

File No. 723.2515/134.

AMERICAN LEGATION,
Buenos Aires, April 12, 1910.

I have learned from the British Minister that he and the French Chargé d'Affaires have received instructions to offer their moral support to the Argentine Republic in settling Chile-Peru dispute; and that he had telegraphed said instructions to the British Legations at Santiago and Rio de Janeiro. He asked if I had similar instructions. I replied by referring him to the Department of State, Washington.

SHERRILL.

File No. 723.2515/135.

AMERICAN LEGATION,
Buenos Aires, April 12, 1910.

Referring to my March 28 and your April 1. The Argentine Minister for Foreign Affairs says the Brazilian Minister for Foreign Affairs sent for the Argentine Chargé d'Affaires and said that Argentina was not approached earlier by Brazil in the Tacna-Arica question because no plan formulated; that if Chile refused mediation of the United States it might be necessary for Argentina and Brazil to substitute Mexico for the United States, and that it might be better for each country to mediate separately. The Argentine Minister for Foreign Affairs has notified all parties that he will act only in conjunction with the United States although not objecting to Brazil joining also.

SHERRILL.

File No. 723.2515/154.

The American Minister to Argentina to the Secretary of State.

No. 318.] AMERICAN LEGATION,
Buenos Aires, April 12, 1910.

SIR: I have the honor to report that this afternoon the British Minister called upon me and stated that he had received instructions from his Government to offer its moral support (see my telegram of today) to the Argentine Government in its reported negotiations for the settlement of the Tacna-Arica question. Because he later stated that he had forwarded these same instructions to the British Legations at Santiago and Rio de Janeiro, I assume that similar offers will be made to the Chilean and Brazilian Governments. He said that he had had the French Chargé d'Affaires to luncheon today and had learned that he was in receipt of the same instructions from his Government, but he did not say whether or not the French Legations at other South American capitals were being similarly instructed. The English Minister said that he would be pleased to associate himself with me in this matter, but (as I took this to be an attempt to learn whether or not I had also received instructions) I replied that it would seem best to have such association discussed by his Foreign Office directly with you in Washington. I at once telegraphed you reporting the above. During an interview which I had later in the afternoon with the Minister for Foreign Affairs I told him of this interview with the English Minister, that I had referred

him to Washington, and that he might expect an early visit from the English Minister and the French Chargé d'Affaires. I added that, if it were not indiscreet, I should be glad to receive an intimation of how he would receive such an English or French offer. He replied that he would do just what I had done—refer them to Washington. I said that I had made this inquiry on my own responsibility, pointing out that sufficient time had not elapsed since the said interview for me to have received instructions thereon from Washington.

I have [etc.]

C. H. SHERRILL.

File No. 723.2515/110.

The Acting Secretary of State to the American Chargé d'Affaires at Lima.

No. 113.] DEPARTMENT OF STATE,
Washington, April 15, 1910.

SIR: The Department acknowledges the receipt of your despatch No. 335, of March 14, 1910, in which you relate a conversation which you had with the Peruvian Minister for Foreign Affairs on the subject of the strained relations between Peru and Chile growing out of the Tacna-Arica controversy, and wherein you make observations in regard to the intervention of other American Powers with a view to an amicable settlement of the dispute.

Referring to your suggestion that some direct indication of the Department's views on the intervention of neutral third powers in the Tacna-Arica question would be of the greatest value, you are informed that the Department has recently indicated its willingness to join with Argentina and Brazil, at the suggestion of the latter, in an attempt to see a solution reached of this troublesome dispute.

I am [etc.]

HUNTINGTON WILSON.

File No. 723.2515/155.

The American Ambassador to Brazil to the Secretary of State.

No. 520.] AMERICAN EMBASSY,
Petropolis, April 25, 1910.

SIR: I have the honor to acknowledge the receipt of the Department's instruction of April 2, 1910,[1] quoting a memorandum of a conversation between the Assistant Secretary of State and Mr. Villegas, Argentine Chargé d'Affaires at Washington, on the subject of the Tacna-Arica controversy.

Very recently the French Chargé d'Affaires here has been instructed to lend moral support to Baron do Rio Branco in his efforts to promote a settlement between Chile and Peru, and the British Minister has received a similar instruction, relating as well to the Peru-Ecuador dispute, but with directions to conform his action to

[1] See the Department's No. 110 of April 2 to the Chargé d'Affaires at Lima, identical with the instruction here referred to.

the course pursued by this Embassy. Of this he has advised Baron do Rio Branco, who received the information with great satisfaction. No action of any consequence has yet followed.

I have [etc.]

IRVING B. DUDLEY.

File No. 723.2515/153.

The American Minister to Argentina to the Secretary of State.[1]

[Telegram.]

AMERICAN LEGATION,
Buenos Aires, May 15, 1910.

Respectfully submit that because next week Chilean President and Minister for Foreign Affairs and the Peruvian Vice-President will visit Buenos Aires, adjustment Tacna-Arica might be reached by American Legation cooperating with Argentine Minister for Foreign Affairs. Because Chile is overconfident that Argentine Minister for Foreign Affairs prejudiced in their favor, arrangement might be reached submitting question to joint arbitration of United States and the Argentine Republic. Believe Argentine Minister for Foreign Affairs would use all his influence to effect above arrangement because he would receive the public credit for it. Believe that he can deliver Chilean assent if he desires, but doubt his serious efforts to that end if Brazil were included as arbitrator. If foregoing in any way meets your approval, may I be favored with early instructions to permit me to open the subject with the Argentine Minister for Foreign Affairs before arrival of said Chileans and Peruvians?

SHERRILL.

File No. 723.2515/162.

The Legation of Bolivia to the Department of State.[2]

[Memorandum of the Bolivian Foreign Office handed to the Secretary of State by the Minister of Bolivia on June 9, 1910.]

The Government of Bolivia can not allow the existing circumstances to pass without learning how Chile and Peru would receive suggestions tending to solve the Tacna-Arica controversy.

The only practical importance of those territories resides in their geographical and commercial relationship to Bolivia to the point that they may and will, with the ways of communication now building, constitute a province inseparable from the destinies of this country. For the signatories to the Pact of Ancón they possess no other than that attached to historical sentiment and national dignity.

Chile and Peru, holding the opinion of many of their eminent public men, should cease to have a common boundary and should

[1] No response to this appears in the files of the Department.
[2] This memorandum was transcribed to all American diplomatic officers of the United States in Latin-American countries, with a request for their opinions (June 11, 1910).

set up the territorial sovereignty of Bolivia over an intermediate zone on the Pacific coast. It is needless to demonstrate the importance of this proposition, vital to the policy and equilibrium of the Spanish-American nations.

Bolivia can not be cut off from the sea and live; now and at all times she will, as far as her strength permits, do all that lies in her power to own at least a convenient harbor on the Pacific, and she will never be content to stand idle whenever the Tacna-Arica question, which affects the very foundation of her existence, is agitated. She has pursued in the last few years a course of absolute fidelity to the conventions by which she was deprived of her coast, and has settled her boundary disputes with Peru by sacrificing much that in the light of her duties and rights appeared incapable of impairment, confident that some day events and high Providence would compel the only possible solution of this grave South American problem: the final embodiment of all or part of Tacna and Arica in Upper Peru.

A sovereign state can not forego the possession through legitimate means of a zone of territory whose existence and prosperity depend on its traffic, commerce and proximity and whose embodiment in the country with which it maintains such intimate relations affects its safety and would assure its sovereign existence and economic development. This is the doctrine which within the canons of human rights this Chancellery professes and which Bolivia will defend with all the power of her will and spirit.

The Bolivian Government is far from seeking difficulties to bring into the controversy but it must fulfill a paramount duty in making known with entire nobility to Chile and Peru that she can not stand idle at the historic moment that confronts the three countries and that she wishes to know whether the two countries that separate her from the Pacific could listen to propositions conducive to results that would conciliate the interests and dignity of the three peoples and insure their peace, good faith and fraternity.

Within the essential purpose that the delivery of a port to Bolivia would achieve and as a direct consequence of cessation of border proximity between Peru and Chile there would lie many forms of agreement by means of which diplomacy could conciliate and seal forever and by indelible bonds the interests and aspirations of each one of the participants in the War of the Pacific.

Bolivia, in taking this step, formulates her inalienable right to exist within the solidarity of America and hopes that the Governments of both Chile and Peru, as well as the Powers able to bring their influence to bear on the course of the destinies of the South American nationalities, will appreciate the importance, sincerity and honesty of our purpose, which rest on aspirations and interests of such magnitude that nothing can suppress them now or in the future.

The Cabinet of La Paz would be ready to propose to those of Santiago and Lima satisfactory bases and compensations in the event of their being willing to enter upon negotiations and their looking upon the attitude of Bolivia in a spirit of justice.

FOREIGN OFFICE,
La Paz, April 22, 1910.

File No. 723.2515/194.

The Minister for Foreign Affairs of Peru to the Peruvian Minister at Washington.[1]

[Telegram left at the Department of State by the Peruvian Minister on November 10, 1910.]

FOREIGN OFFICE,
Lima, November 5, 1910.

1. Under the pretext of an unwarrantable interpretation of the words "barraca Illampú" (the Illampú rubber settlement) contained in the protocol signed on September 17, 1909, Bolivia is endeavoring to create a serious international incident, by insisting that we evacuate the upper waters of the Manuripe. We suspect Chilean influence to be in action.

2. I am forwarding you by mail a detailed memorandum on the antecedents of this question and have also informed thereon the American Minister at Lima.

3. A Chilean member of Congress, Mr. Alfonso, is now at Lima and has suggested the idea of reaching an understanding on the Tacna-Arica controversy.

4. In view of the danger coming from Bolivia, it is necessary for us to know without delay and in an open and explicit form what aid we can expect from the Government of the United States in regard to the Tacna-Arica question, so that we may adopt the proper attitude according to the advice we receive. I wish you to ask this advice directly from the Secretary of State.

PORRAS.

File No. 723.2515/194.

The Chief of the Division of Latin-American Affairs of the Department of State to the Secretary of State.

MEMORANDUM.

DEPARTMENT OF STATE,
DIVISION OF LATIN-AMERICAN AFFAIRS,
Washington, November 10, 1910.

DEAR MR. SECRETARY: The following are extracts from correspondence during the present year regarding the disposition of the Chilean Government as to the Tacna-Arica question:

In October of last year the Chilean Government presented to the Peruvian Government bases for the settlement of the Tacna-Arica matter.[2] Our Minister at Santiago reported, on November 1, 1909, that the Argentine Government had been assisting in inducing the Peruvian Government to accept Chile's preliminary terms. The Argentine Minister at Santiago stated that his Government's action had not been and would not be by way of intervention or mediation, but only by way of friendly counsel. The Argentine Minister de-

[1] Sent also to the Governments of Argentina and Brazil; see, post, Mr. Combs' No. 435 of November 21. As to the response by the Department of State, see, post, the Department's November 18 to the American Minister to Peru.

[2] For these bases see, ante, the despatch mentioned in the next sentence.

sired to know the probable disposition of the Department as to seconding Argentina's action at Lima and Washington.

On April 5, 1910, our Chargé d'Affaires at Santiago stated[1] that Peru had made a counter-proposal to Chile. He reported as follows:

As reported in my cable of April 2, however, Peru made answer in the form of a counter proposal suggesting, I am informed by the Minister for Foreign Affairs, the division of the territories, which answer was communicated to Chile by the Brazilian Minister.

In stating that such a proposal could not be accepted by Chile, the Minister for Foreign Affairs told me frankly that Chile considered the possession of Tacna and Arica absolutely necessary for the proper military defense of her all-important territory in Tarapacá. He appears anxious that the United States should understand why Chile is so determined to keep the disputed territories; that she wants them for the best reasons, as he called military defense; and that she is pursuing a determined policy, not out of caprice nor to take advantage of Peru, but because she feels she needs the territories. He added that, as he had informed Brazil, Chile would be disposed to pay as much as £3,000,000 as indemnity for the two territories.

The purpose of the proposed plebiscite for the settlement of the question as understood by Chile appears from the following extract from a note of the Chilean Government to the Peruvian Government of March 3, 1910:[2]

For the rest, I should remind your excellency that the plebiscites recorded in history prove that these are measures adopted by governments to mitigate, with the appearance of a popular vote, a cession or an annexation agreed upon beforehand, thus avoiding, as far as possible, the wounding of the national pride of the country dismembered.

The reason is obvious: The governments can not seriously consent to leave to the result of voting the fate of a territory susceptible, as in this case, of representing the security of their frontiers and the compensaion of sacrifices of blood and money.

The preliminaries, the alternatives and the incidents of the diplomatic negotiations which resulted in the pact of Ancón clearly demonstrate that the plebiscite would be the only manner shown by history for satisfying the territorial exigencies of Chile without deeply injuring a national sentiment of Peru, which is supported by certain elements in order to bring down the vacillatory Government of the celebrated General Iglesias, who agreed to it.

In a telegram from our Chargé d'Affaires at Santiago, of March 26, 1910, it is stated that the Chilean Minister for Foreign Affairs has informed him that "should any neutral power desire to assist the settlement it should address Peru, urging the acceptance of a money indemnity, Chile being very determined."[1]

In a despatch from our Embassy at Petropolis, dated March 31, 1910,[1] the Ambassador stated as follows in reference to the attempt made by Brazil to settle this matter:

In conversation with Baron de Rio Branco on the 28th instant this subject was reverted to and I advised him with reference to his suggestion made to Chile—that the Governments of Chile and Peru submit their question to those of Brazil, Argentina and the United States—of the readiness of the Government of the United States, in case the plan were acceptable to Chile and Peru, to respond to their request by contributing so far as possible to a solution of the difficulty.

The Baron then informed me confidentially that his overtures had so far resulted in failure, the Chilean Government declining to consider his proposal or anything savoring of arbitration. He had then proposed that the three countries be asked as amiables compositeurs to determine solely a proper division

[1] See ante.
[2] See Inclosure 2 in Mr. Pierrepont's No. 74 of April 5, 1910, cited above.

of the provinces between the contestants, but this suggestion also was rejected. The only concession Chile was willing to make was to authorize the Brazilian Government to offer Peru clear title to the province of Talara, an interior and valueless strip claimed to have been turned over to Chile along with Tacna and Arica at the end of the war—a fact denied by Peru. This offer, as a settlement of the long-standing question, was so manifestly unentitled to serious consideration that it will not be officially communicated to Peru by this Government.

This was in reply to the Department's telegram of March 24, in part as follows:[1]

The Government of the United States of course fully shares the hope of the Government of Brazil for a definitive settlement of the Tacna-Arica dispute. As for Baron Rio Branco's important suggestion made to Chile—that the Governments of Chile and Peru submit the question to those of Brazil, the Argentine Republic, and the United States—if this plan were acceptable to Chile and Peru the Government of the United States would be prepared to respond to their request by contributing what it might toward a satisfactory solution of this very troublesome problem.

It is evident that this question has had an indirect but very irritating effect upon the former Peru-Bolivia and the present Peru-Ecuador questions.

On April 2, 1910, the Ambassador at Petropolis telegraphed:[1]

Brazilian Minister for Foreign Affairs, March 28th, confidentially informed me Chile had declined to consider his proposals or anything in the nature of arbitration of the Tacna-Arica question. He asserted Chilean Minister for Foreign Affairs is prejudiced by unfounded suspicion of some secret understanding between Brazil and Peru consequent upon recent settlement of their boundary question. Brazilian Minister for Foreign Affairs intends therefore to leave matter in abeyance pending the arrival President Montt on this coast.

On the same date, the Chargé d'Affaires at Santiago telegraphed:[1]

Peruvian counter proposal on the basis of dividing territories received yesterday by Chilean Minister for Foreign Affairs through Brazilian Minister was found utterly unacceptable as Chile needs both territories for military defense. Minister for Foreign Affairs says he told Brazil Chile would be disposed to pay as much as three million pounds sterling indemnity for both Tacna and Arica and that if Peru would accept the decision of a third nation or of the United States, Brazil and the Argentine Republic on the basis that Chile will keep Tacna and Arica, Chile would be willing to pay even more, should the Powers so decide and also to cede Tarata.

The Chargé d'Affaires at Lima reported, on March 14, 1910, that Mr. Porras, the Minister for Foreign Affairs, had informed him that:[1]

His own hope was that an international tribunal of American Powers (preferably the United States, Brazil and the Argentine) would be formed with full powers to judge of the merits of the case. He said that even ignoring Peru's well founded rights (in his opinion) the award might be made acceptable by Peru in one of two ways as follows:

(1) Tacna and Arica to be erected into a buffer state.

(2) The provinces to be divided between Peru and Chile with due consideration of Peru's rights and of the status quo.

In connection with this information, the Chargé d'Affaires stated:

As regards the United States, I respectfully suggest that some direct indication of the Department's views regarding the matters set forth above would be of the greatest value in the not wholly improbable eventuality of a crisis in Peruvian-Chilean affairs.

I have considered it wise to report at some length in view of the fact that whatever be the political fate of Mr. Porras, the results of his policies as indicated are likely to have a considerable influence on the foreign relations of Peru for some time to come.

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[1] See ante.

The Department replied to this in a despatch, No. 113, of April 13th, 1910,[1] stating in part:

Referring to your suggestion that some direct indication of the Department's views on the intervention of neutral third powers in the Tacna-Arica question would be of the greatest value, you are informed that the Department has recently indicated its willingness to join with Argentina and Brazil, at the suggestion of the latter, in an attempt to see a solution reached of this troublesome dispute.

On May 15th, 1910, the Minister at Buenos Aires telegraphed:[2]

[I] respectfully submit that because next week Chilean President and Minister for Foreign Affairs and the Peruvian Vice President will visit Buenos Aires, adjustment Tacna-Arica might be reached by American Legation cooperating with Argentine Minister for Foreign Affairs. Because Chile is overconfident that Argentine Minister for Foreign Affairs prejudiced in their favor, arrangement might be reached submitting question to joint arbitration of United States and the Argentine Republic. Believe Argentine Minister for Foreign Affairs would use all his influence to effect above arrangement because he would receive the public credit for it. Believe that he can deliver Chilean assent if he desires, but doubt his serious efforts to that end if Brazil were included as arbitrator. If foregoing in any way meets your approval, may I be favored with early instructions to permit me to open the subject with the Argentine Minister for Foreign Affairs before arrival of said Chileans and Peruvians?

The files do not show that any reply was sent to this telegram. There is no subsequent reference of importance to this question in the files. There are statements in several late despatches from Buenos Aires, I think, that some of the leading men in Peru at least realize that Chile will never consent to any settlement which will not guarantee Chilean sovereignty in Tacna and Arica, but there seems to be nothing to show that the previous irreconcilable attitude of the Peruvian Government has altered. The present Chilean Ministry is reported to be less aggressive in regard to this question than its predecessor in which Mr. Edwards was the Foreign Minister. Recently an interesting memorandum, written by the Chilean Minister in Mexico, was forwarded by our Ambassador there,[3] and reconfirms what appears from the above correspondence—that Chile will not consent to any arbitration which does not, first of all, guarantee her sovereignty in Tacna and Arica.

It will be noted from the above correspondence that both Argentina and Brazil have tried to settle this question during the present year, but have failed.

Both Argentina and Brazil are friendly to Peru, and both are now—especially the former—on friendly terms with Chile.

This inquiry of the United States may be a last resort after Argentina's and Brazil's failure. Whether we could succeed any better than these two Powers seems very questionable.

H. P. D. [H. Percival Dodge.]

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[1] See ante; the date is April 15, not 13 as here.
[2] See ante.
[3] Not printed.

File No. 723.2515/193.

The American Minister to Peru to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Lima, November 17, 1910.

Argentina answered Peruvian inquiry respecting new negotiations with Chile. Declined giving advice. Brazil advised to seize offer [1] to divide territory in dispute and cautiously offered moral support. I think Peru is inclined to negotiate.

COMBS.

File No. 723.2515/194.

The Acting Secretary of State to the American Minister to Peru.

[Telegram.]

DEPARTMENT OF STATE,
Washington, November 18, 1910.

On November 10 the Peruvian Minister handed to the Secretary of State a telegram from his Foreign Office dated Lima, November 5, 1910, in which it was stated that some friction exists between Bolivia and Peru regarding the interpretation of the boundary protocol of September 17, 1909, Bolivia contending under Chilean influence that Peru should evacuate the upper waters of the Manuripe. The telegram states that a detailed report is being mailed; that the American Minister at Lima has also been informed in regard thereto; that a Chilean member of Congress, Mr. Alfonso, at present at Lima, has suggested the idea of reaching an understanding on the Tacna-Arica controversy.

In view of the attitude of Bolivia, Peru desires to know, without delay and openly and explicitly, what aid she may expect from the United States in regard to the Tacna-Arica question in order to frame her action.

On being shown this telegram the Secretary of State merely expressed the hope that Chile and Peru might be able to find a basis for settlement consistent with their national honor and interests. The Peruvian Minister desired to know if he might inform his Government, to which the Secretary assented.

Repeat for confidential information to Quito and Santiago, directing Santiago to repeat likewise to Buenos Aires and Petropolis.

ADEE.

File No. 723.2515/195.

The American Minister to Peru to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Lima, November 19, 1910.

Yesterday afternoon Minister for Foreign Affairs of Peru informed Mr. Alfonso [2] [that] President of Peru accepted the proposal

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[1] Made by Mr. Alfonso, the Chilean agent.
[2] The Chilean agent mentioned in the Peruvian telegram of November 5.

of Chile for division of Tacna-Arica. Precise line and indemnity to be settled later by discussion. Chilean agent without credentials, but sent by President of Chile.

Minister for Foreign Affairs of Peru suggested the need of some mutually friendly nation to advise the arrangement in order to create favorable public opinion. Chilean agent proposed Great Britain, which was accepted. Minister for Foreign Affairs of Peru suggested, in view of the understanding, Chile put an end to the agitation in Ecuador and in Bolivia. Agent assented.

COMBS.

File No. 723.2515/201.

The American Minister to Peru to the Secretary of State.

No. 435.] AMERICAN LEGATION,
Lima, November 21, 1910.

SIR: I cabled the Department on the 17th the substance of the replies of the Argentine and Brazilian Governments to the inquiry directed to the capitals of the mediating Powers by the Peruvian Foreign Office, regarding their views with respect to the negotiations opened in Lima by Mr. Alfonso, the secret diplomatic agent of Chile, for the settlement of the Tacna and Arica dispute.

Subsequently, I cabled that the President of Peru had accepted the proposal made by Mr. Alfonso in the name of the President of Chile.

In reporting the details of these negotiations I have the honor to state that the inquiry directed by Mr. Porras to the Governments of the United States of America, Argentine, and Brazil to know "without delay openly and explicitly what she [Peru] may expect" from these countries in regard to the Tacna and Arica question was, I think, largely for the purpose of having a record, for future publication, to show that the Peruvian Foreign Office had discovered it could not hope for outside assistance in solving this question and was forced to make the best of the situation.

Mr. Alfonso had maps with a proposed line, which he exhibited; the Peruvian Government offered a different line, and finally it was decided that with these two lines as a basis an agreement as to the exact line and the amount of pecuniary compensation could be reached by discussion, and Mr. Porras notified Mr. Alfonso that his proposal in principle was accepted.

Mr. Porras told me that both Governments felt that it was very important for the success of this plan of settlement that it should be presented to the public as one emanating from a power mutually friendly to Peru and Chile, and that in accordance with this view Mr. Alfonso had suggested Great Britain should propose the settlement and that he had accepted this idea.

These matters having been decided, Mr. Porras mentioned that it would now be advantageous for Chile to quiet the anti-Peruvian agitation in Ecuador and Bolivia, and Mr. Alfonso smilingly bowed assent.

There is no question but Chile, by the difficulties she has created for Peru in Ecuador and Bolivia, has forced Peru into this nego-

tiation. At the same time, the Powers mediating the question between Peru and Ecuador have put such a moral pressure upon Chile that the policy of the latter in these countries was becoming more and more difficult, and she was compelled to offer a more moderate basis for settlement than would otherwise ever have been formulated.

There is no doubt in my mind but for the mediation, planned by the State Department, Peru would have soon found herself at war with Ecuador, Bolivia, and Chile, with a result little short of her destruction.

However this may be an agreement between Chile and Peru guarantees the success of the mediation.

I have, of course, done all that I could in an unofficial way to forward this settlement.

I have [etc.].

LESLIE COMBS.

File No. 723.2515/195.

The Secretary of State to the American Minister to Peru.

[Telegram.]

DEPARTMENT OF STATE,
Washington, November 21, 1910.

The Department desires to know the source of the information contained in your telegram of November 19.

KNOX.

File No. 723.2515/196.

The American Minister to Peru to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Lima, November 21, 1910.

Argentine Minister at Lima gave me the information cabled November 19; afterwards the Minister for Foreign Affairs of Peru gave me it direct as to Chilean agent negotiation.

COMBS.

File No. 723.2515/196.

The Secretary of State to the American Minister to Peru.

[Telegram.]

DEPARTMENT OF STATE,
Washington, November 22, 1910.

Your November 21. Repeat your November 19 to the Legations at La Paz, Santiago, Quito, Buenos Aires, and Embassy at Petropolis, indicating source of information; and continue keeping those missions informed.

KNOX.

File No. 832.00/59.

The American Ambassador to Brazil to the Secretary of State.

[Telegram.]

AMERICAN EMBASSY,
Petropolis, November 23, 1910.

Peruvian Minister here informed me that the Brazilian Minister for Foreign Affairs yesterday agreed to telegraph Brazilian Minister at La Paz to exercise good offices with a view to allaying the feeling over Peruvian occupation of the headwaters of the Manuripe.[1] He stated also that as a result of the mediation of the Brazilian Minister for Foreign Affairs an early settlement is looked for of the Tacna-Arica question.

DUDLEY.

File No. 723.2515/199.

The American Minister to Chile to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Stntiago, Chile, December 1, 1910.

Referring to Department's November 18, repeated from Peru. Minister for Foreign Affairs informed me Chilean Government has not sent Mr. Alfonso to Peru nor authorized him to negotiate and is ignorant of his proceedings except as learned from others. Minister for Foreign Affairs, however, very confidentially intimated that Chile might accept such a division of the territory as would leave the Arica-La Paz Railway in Chilean territory. This would give the Province of Arica and a small portion of Tacna to Chile, leaving the city of Tacna and most of Province of Tarata to Peru.

He has instructed Chilean Minister to thank Secretary of State for Department's attitude, which he highly appreciates. He also very confidentially informed me he had again, since the withdrawal of the King of Spain as arbiter, urgently advised Ecuador to accept mediation and had refused them arms, etc., because they had not accepted the mediation. Chilean Minister instructed to inform Department of this fact also. My opinion is that no definite steps are likely to be taken in Tacna-Arica matter until after new government takes office on 24th instant.

FLETCHER.

File No. 723.2515/209.

The American Minister to Chile to the Secretary of State.

No. 42.] AMERICAN LEGATION,
Santiago, Chile, December 24, 1910.

SIR: I have the honor to report that Mr. Alfonso, the Chilean Deputy, upon his return from his visit to Peru, had interviews with the Vice-President and with the President-elect, Barros Luco, but

[1] See Peruvian telegram of November 5.

as far as I can learn little or no progress toward a settlement has been made as a result of his well-meant though, as I am assured, entirely unauthorized and individual efforts in Lima.

On December 20 the President-elect, Mr. Barros Luco, announced his idea of the policy Chile should follow in this matter, as follows:

> I believe that at present it is not for our country to take the initiative in the Tacna-Arica question and that we should defer it. Peru withdrew its Legation from Santiago without just cause, and on this account I think that we, ourselves, should not raise any question as long as that Legation is not reestablished.

The leading journals, both liberal and conservative, unite in their praise and support of this utterance.

I believe this statement accurately reflects the Chilean attitude at present.

I have [etc.],

HENRY P. FLETCHER.

File No. 723.2515/248.

The American Minister to Peru to the Secretary of State.

No. 65.] AMERICAN LEGATION,
Lima, October 25, 1911.

SIR: I have the honor to report that in a recent interview with the President he stated that he would have the Minister for Foreign Relations send this Legation a memorandum touching upon the disturbed conditions with Chile as regards her boundary disputes and a threatened war of invasion upon the part of Bolivia and Chile in a simultaneous mobilization upon the borders of Peru. The memorandum, with translation, is inclosed herewith.

I have [etc.]

H. CLAY HOWARD.

[Inclosure—Translation.]

MEMORANDUM.

After the long series of hostilities carried out in Tacna and Arica against the Peruvian customhouse agents, carters, workmen, professors, teachers, and village priests with the object of obliging them to abandon those Provinces and so reducing a great number of the votes which Peru would have been able to count on upon the carrying out of the plebiscite stipulated in the treaty of Ancon, the Chilean populace of Iquique held a meeting on the 27th of May last expressly directed against the Peruvian element still residing in that port. A number of outrages were committed on the Peruvians, including the destruction and looting of commercial establishments, newspaper offices, and the Peruvian Club and social centers, the destruction of the shield of the Consulate, the ill treatment of many of our fellow citizens, and threats against the person of the Peruvian Consul, Mr. Forero, who was obliged to take refuge, first, in the American Consulate, then in the British Consulate, and finally to return to his own country, in order to avoid greater complications which might have brought about a disastrous conflict. These offenses were the more outrageous because uncalled for, as it is well known that neither Peru nor any of its citizens had given any pretext whatever for their perpetration, nor can any other explanation be given for them than the design to prosecute [provoke?] on the part of our country retaliation on which to base aggression. The state of things to which Chile tenaciously and unjustly seeks to drag us is the desire of checking our recovery and rendering the peace of the country and its progress for a long time impossible; and this opposition, far from being imaginary, is confirmed by later events, for on the 18th of July another meeting was held in Tacna on the

pretext of demonstrating the adhesion which was considered necessary to the conclusions drawn up at the meeting held in Iquique, and thus without cause or explainable motive gave rise to the horrible, contemptible outrages and crimes of May last, when, amid the savage fury of the Chilean mobs, complete destruction was visited upon the newspaper offices, clubs, places of business of our fellow citizens in those parts, causing them, as in Iquique, to begin to emigrate in large numbers in consequence of finding themselves deprived of peace and protection in their own land.

Happily, the good common sense of our people, in spite of the painful news received of these events, avoided any kind of hostile demonstration toward Chile, frustrating the sinister plans of that country, in whose interest it is to drag us into an armed conflict the result of which is only too obvious, considering that country's undeniable superiority.

Shortly afterwards news came of the invasion of our territory and of a probably unjustifiable occupation of Peruvian territory on the border (Ticaco), a scandalous act which was not consummated, thanks to the opportuneness of the intervention which the Governments of the United States of America, the Argentine Republic, and Brazil interposed, which made Chile aware of the previous discovery of those disgraceful plans.

Chilean forces a short time ago furtively and by surprise established themselves in the little village of Conchachire, situated on the left bank of the River Maure, completely outside of the jurisdiction of the Provinces of Tacna and Arica and even of that of Tarata, and hence unjustifiably occupied by Chile.

This village, on account of its being on the left bank of the river, belongs to the Province of Chucuito, in the Department of Puno, whose boundary on the west is the said River Maure.

This last occurrence serves to show that in their desire to injure and provoke Peru there is nothing that is respected nor worthy of respect by the insatiability and fury of the Chilean Government. Lastly, within the last few days, taking as their pretext a falsified version of a speech delivered by the President of Peru at a meeting organized by the exiled Peruvians from the Provinces of the south, who are now resident in Lima and Callao, wherein he recognized the necessity of providing for the national defenses, and inventing the report that our country had acquired the old French battleship *Jeanne d'Arc*, the Chilean press has carried to an extreme its call for war against Peru and has widened the district of operations and the number of its forces in military maneuvers carried on on the Peruvian boundary line. It has decreed the acquisition of new naval units and even large military supplies, and has decided to carry this almost warlike demonstration to such a point on our frontier line that its forces will probably cover territory and localities which are indisputably ours, and again bring about a fresh provocation, the consequences of which it may prove very difficult for Peru to overcome. In this situation and as the patience of our people can not be eternal, now tired of innumerable outrages, the peace of America is threatened by a country that has resolved upon our ruin, after having in 1879 treacherously assaulted and impoverished our country and mutilated its territory, denied all justice and right by us to the point of indefinitely postponing the fulfillment of solemn agreements which should have been effected since 1893. In a condition when might becomes the only right and abuse the only national resort, when the continent is scandalized and disturbed at sight of such unjustifiable and unprovoked insult, all of which is aggravated by the attitude which, at the instance of Chile, Ecuador, Colombia and Bolivia are now assuming in their boundary disputes with our country, and in view of the alarming coincidents of the last mentioned of these countries, carrying out simultaneously with Chile extraordinary military maneuvers which take place on our frontier, this Government can not but address itself to the highly civilized and powerful nations who have honored it with friendly mediation in our conflict with Ecuador in order that they may apprise their respective Governments of the facts here narrated, and call their attention to the dangerous situation prevailing in this part of America, in order that they may contemplate the storm which is threatening these nations to the detriment of peace and to the discredit of the civilization of the continent, and in order that they may in their greatness and wisdom at once ward off the danger by all the means in their power.

FOREIGN OFFICE,
Lima, October 23, 1911.

File No. 723.2515/245.

The American Minister to Chile to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Santiago, Chile, November 9, 1911.

Senator Walker Martinez introduced yesterday in the Senate motion providing election of one Senator from Tacna-Arica and one Deputy for Tacna and Tarata and one Deputy for Arica, in the general elections to be held next March. Press applauds motion.

Extracts published from Peru newspapers charge that there is systematic plan of driving Peruvian citizens out of the Provinces. Manager of the Peruvian Bank of Tacna, who was also the so-called Peruvian intendente, left a few days ago at the instance of Chilean general commanding there. Chilean forces engaged in maneuvers will remain in the vicinity of Tacna until distribution of garrisons is decided. General staff leaves on the 15th for the north, to be absent, it is stated, three weeks.

FLETCHER.

File No. 723.2515/259.

The American Minister to Chile to the Secretary of State.

No. 148.] AMERICAN LEGATION,
Santiago, Chile, November 14, 1911.

SIR: I have the honor to report, in amplification of my telegram of the 9th instant, that Senator Walker Martinez presented on November 8 in the Senate a motion designed to provide representation in the Chilean Congress for the Provinces of Tacna and Arica.

As the Department is well aware, this territory, since the treaty of Ancon, has remained under the administrative control of Chile, pending the plebiscito which should determine its definitive status, but has not sent representatives to the Chilean Congress.

The Senator prefaced the introduction of his motion by referring to the law of October 31, 1884, which, after creating of the territories of Tacna and Arica "a Province of the Republic, provides that the laws of Chile shall rule in the new Province, and that its inhabitants shall enjoy the same guaranties secured by the Constitution to all inhabitants of the remainder of the Republic". He claimed that, far from denying, this law safeguarded the rights of the Chileans in Tacna and Arica to be represented and to elect their municipalities, and that if they had not enjoyed these rights heretofore it was because the secondary laws fixing number of Senators and Deputies had omitted the name of the new Province. He stated that this omission was a generous compliment to Peru in giving a conditional appearance to the occupation, and that it was a proper one as long as the period fixed by the treaty had not elapsed, but now that the ten years and more had passed, and it had not been possible to come to an agreement with Peru, it was proper for the Chilean Congress to act. Mr. Walker restated the Chilean position as to the plebiscito provided by the treaty, and recommended that

Chile proceed, "with serene tranquillity", to incorporate in all respects the territories of Tacna and Arica into the national life. He believed this definite act would tend to bring nearer the reestablishment of cordial relations with Peru. He then proposed the formal motion as an amendment to law No. 2453 of the 1st of February, 1911, which fixes the number of Senators and Deputies. The text of his speech and the press comments it called forth appear fully in the clippings which I forward in this mail.

No definite action seems to have been taken on the motion to incorporate the matter in the legislative program of the present session of Congress, without which no progress can be made. The press of all shades applauds the motion enthusiastically. Senator Walker is an Independent and the Government has not yet given any indication as to its attitude. The legislative deadlock continues, owing to the obstruction of the Liberal minority, and unless some compromise political arrangement is made with the minority, it is doubtful if even this question which appeals strongly to all Chileans will be allowed to make any progress in Congress.

The Sub-Secretary for Foreign Affairs, speaking informally and confidentially of the Tacna-Arica situation, intimated that the present intendente, Mr. Maximo Lira, would probably be transferred to another post, possibly a diplomatic one; that General Solar had accomplished more in the few weeks he had been there than the intendente had in years; that the Walker motion was not designed to force Peru's hand, as Chile did not expect that any progress toward a settlement with Peru could be made while President Leguia remained in office.

In view of the delicacy of Chilean sensibilities I have been very guarded in all my references to this question, and have therefore not had occasion to hear an explicit statement of Chile's policy, but I gather from such casual conversations as I have had that their present intention is to take stronger and more radical measures to "Chileanize" these Provinces.

The headquarters of the first division have been removed from Iquique to Tacna, and from the activity displayed in erecting fortifications at Arica and barracks, etc., at Tacna it would seem evident that it is the Government's intention to use the troops there not only to guard against any sudden descent from Peru, but also as an instrument in the "Chileanization" of the district.

Many Peruvians have already left Tarapacá as a result of annoyances culminating in the Iquique riots last May, and a similar exodus is reported as in progress from Tacna and Arica. The resignation and return to Peru of Mr. Espejo, manager of the Peruvian Bank in Tacna, who, the Chilean papers say, was also Peruvian intendente of the Province and agent of the Bishop of Arequipa, has attracted much comment. His leaving is thought to be due to an intimation from General Solar.

The general staff of the Chilean army leaves for Arica on the 15th, ostensibly for the purpose of examining military situation and deciding upon the distribution of garrisons.

Colonel Echavarría, a member of the staff, told me the other day they expected to be gone about three weeks. He offered to take Lieutenant Hammond, military attaché, with him on his next visit

to the north, which he said would be shortly after his return from this trip. If the matter can be arranged simply and naturally, I shall send Mr. Hammond north on his return from the Argentine, as I feel somewhat handicapped by want of accurate information as to the situation, both political and military.

The opinion of the best informed of my colleagues is that, while Chile is very anxious to conclude this old matter, on the basis of her retention of the Provinces, she will not force the issue: that being in possession she feels secure, and will stand firmly on this possession until it shall be recognized diplomatically by Peru or challenged by force.

I have, etc.,

HENRY P. FLETCHER.

File No. 723.2515/266.

The American Chargé d'Affaires at Buenos Aires to the Secretary of State.

No. 1047.] AMERICAN LEGATION,
Buenos Aires, November 17, 1911.

SIR: I have the honor to report that while calling upon the Minister for Foreign Affairs yesterday to obtain the agreement of the Argentine Government to the appointment of Mr. Garrett to this post, the Minister told me that about a week previous he had received a memorandum from the Peruvian Government enumerating many annoying acts committed by the Chilean authorities in the Provinces of Tacna and Arica against Peruvian citizens residing there, and drawing the attention of the "mediating Powers" to the particularly harassing attitude of the Chilean Government as shown by these acts, and requesting the cognizance on the part of the "mediating Powers" thereof with a view to putting an end to them.

The Minister went on to say that Peru, by this memorandum, was endeavoring to extend the friendly intervention on the part of the United States, Brazil, and Argentina in the Peru-Ecuador boundary dispute to include the long-unsettled Tacna-Arica question. He assumed that a similar communication had been made to the other two Governments of the tripartite mediation and that they had not taken any steps in the direction desired by the Peruvian Government, since he had received no information in the matter from the Argentine representatives at Washington and Rio de Janeiro. To the Minister's question as to whether I had been advised in the matter, I replied that my Government had made no communication to this Legation relative to the receipt of such a memorandum as he had just described.

Dr. Bosch then went on to say that a short time ago the Brazilian Government had offered its good offices to Chile as a mediating power in settling amicably with Peru the Tacna-Arica question, and that these overtures had been received with distinct signs of annoyance by the Chilean Government. From this, and from statements which he said had recently been made to him by the Chilean Minister, he drew the conclusion that any offers of intervention by friendly

powers would be distasteful to Chile. He further said that in Peru the matter was so complicated by political considerations that there was apparently no hope of its Government voluntarily accepting a monetary compensation until there should appear, in that country, a strong statesman, unswayed by spasmodic public demonstrations or the certainty of ending his political career.

I have [etc.]

ROBERT WOODS BLISS.

File No. 825.00/94.

The American Minister to Chile to the Secretary of State.

[Telegram.]

AMERICAN LEGATOIN,
Santiago, Chile, November 22, 1911.

Decree issued on the 21st extends law of naval service, military service, to Chileans of Tacna Province after January.

Newspapers report that Chilean laborers Iquique yesterday in a body demanded various industrial establishments discharge of Peruvian employees. Chilean Government, fearing disturbances, ordered regiments now in Tacna to hold themselves in readiness to proceed Iquique. Situation is reported to be quieter to-day. No report from Consul has been received.

FLETCHER.

File No. 723.2515/265.

The American Minister to Chile to the Secretary of State.

No. 155.] AMERICAN LEGATION,
Santiago, Chile, November 27, 1911.

SIR: Confirming my telegram of the 22d instant, and continuing the subject matter of my despatch No. 148 of November 14, I have the honor to inclose the text and translation of the decree[1] issued by the President on November 21 last, extending the law of obligatory military service to the Province of Tacna (which includes also Arica).

The decree, it will be noticed, refers in the preamble to "Chilean" citizens, but the question will immediately arise as to whether persons of military age, born in the Province of Peruvian parentage, are embraced. In the press the claim has frequently been made that all persons born in this Province since the Chilean occupation are, under international law and the laws of this country, Chilean citizens. I can not certainly predict what attitude this Government will take in this respect in the enforcement of the decree, but it seems to form an essential part of their plan to Chileanize this region. Whether persons of military age born in the Province of Peruvian parents since the occupation shall be called upon or not, this mere possibility will no doubt induce a considerable exodus of this class from Tacna and Arica before the time fixed for the execution of the decree, viz, January next, and the desired "Chileanization" will be advanced *pro tanto*.

[1] Not printed.

The Department can readily see how a rigorous enforcement of this decree may further complicate and embitter the present unfortunate relations between Chile and Peru.

As I reported by telegraph on November 22, there were fears of another anti-Peruvian outbreak in Iquique at the beginning of last week. It seems that the Chilean laborers, incited thereto by the Patriotic League which was responsible for the riots there last May, went in a body to the various industrial establishments where Peruvians were employed and demanded their dismissal. There was, however, no violence. The intendente acted promptly and energetically. The Government ordered two regiments to return to Iquique from Tacna and instructed the intendente to endeavor to disband the league. The newspapers today state that the intendente called the leaders before him, delivered the message of the Government, and that they agreed to disband the league. It is impossible to judge how far the Government sympathizes with the anti-Peruvian propaganda which seems to be in progress in the north of Chile. The elections are approaching and this fact may explain the want of stronger and more repressive action. On the other hand, labor is scarce in the nitrate fields and the Peruvians must be depended upon, and the fear of crippling this industry undoubtedly explains the prompt measures recently taken by the Government in Iquique to stop the agitation.

The demonstrations which have taken place in Tarapacá, though undoubtedly a phase of the general anti-Peruvian sentiment in the country, is not in my opinion directly connected with the apparent policy of the Government to Chileanize Tacna-Arica. While certain prominent politicians or groups probably used this sentiment in furtherance of their political ends in Tarapacá, I do not, however, believe the Government as such was implicated. The present Government, it must be borne in mind, is made up of a number of elements, and any united positive action is very difficult, but such policy as it may be said to have is directed to the Chileanization of Tacna and Arica. This is apparent in (1) the military occupation of Tacna and the fortification of Arica, (2) the strong line taken by General Solar in Tacna, (3) the renewed efforts to encourage Chilean colonization by advancement of funds for purchase and improvement of land (see clippings), (4) the extension of the law of military service to Tacna, (5) the Walker Martinez project (so far merely a project) for representation of the district in the Chilean Congress. It is possible, also, that the recent loan of £5,000,000 has some connection with this policy. The loose financial methods in vogue here and the ease with which money raised for one purpose may be devoted to another would permit such connection. As I have several times recently reported, Chile seems to have decided to conclude this question gradually and, if possible, peacefully, but definitely and on the basis of Chilean ownership, and whether her acts of ownership and sovereignty be challenged by war or acquiesced in by diplomatic arrangement, a supply of ready cash will be useful to meet the military expenses or pay the indemnity.

Public opinion, as reflected in the press and in public meetings, seems strongly in favor of a conclusion of this old question and may force the Government to move more rapidly than is now their inten-

tion. A large public meeting was held here yesterday in the Municipal Theater under the auspices of the Patriotic Military League for the purpose of organizing a reserve corps, and resolutions were adopted and presented to the President urging the settlement of the frontier question and asking the Government's support of the reserve movement. The meeting was attended by representative citizens—was dignified and orderly in every respect. The Minister of War and Marine was invited to attend the meeting, but declined, and no members of the Cabinet were present, but the resolutions adopted, which were presented by a committee escorted by a procession composed of those who attended the meeting, were formally received by the President, the Minister of Interior, and the Minister of War and Marine at the Moneda.

I have [etc.]

HENRY P. FLETCHER.

File No. 723.2515/254.

The American Minister to Chile to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Santiago, Chile, November 30, 1911.

My telegram of November 9. Senate yesterday passed without debate law providing for representation of Tacna-Arica in the Chilean Congress.

FLETCHER.

File No. 723.2515/256.

The Peruvian Chargé d'Affaires at Washington to the Secretary of State.

PERUVIAN LEGATION,
Washington, December 1, 1911.

MY DEAR MR. SECRETARY: With reference to the memorandum [1] delivered by my Government to the representatives of the United States, Argentina, and Brazil at Lima, on the 23d of October, and complementing the information therein contained, I am advised that my Government has presented, on the 30th ultimo, a further memorandum to the aforesaid representatives calling their attention to the following facts, that tend to prove the intention of the Chilean Government to effect in Tacna and Arica an unilateral plebiscite. This my Government would be obliged to reject through a natural sentiment of dignity, and in consequence a serious conflict will sooner or later ensue.

The facts I allude to are as follows:

I. The Chilean Government has expelled the Peruvian delegate from Tacna;

II. The Chilean Government has demanded the resignation of the Peruvian commissioner of irrigation (delegado de aguas), appointed

[1] Inclosure with Mr. Howard's No. 65 of October 25, ante.

by the local farmers, and in his stead has substituted a Chilean citizen, with instructions to deprive the Peruvian farmers of the water they need;

III. Chile continues to authorize the injuries to the persons and properties of Peruvian citizens residing at Tacna and Arica, Iquique, and Antofagasta;

IV. The Chilean Government has presented to Congress a project of law nominating representatives to Congress from Tacna and Arica;

V. The enforcement of the law on military service has been extended to Tacna and Arica, thereby obliging those Peruvian citizens who are affected by it to abandon their native land or to serve in the Chilean army;

VI. The unusually large number of troops actually concentrated at Tacna is to be considerably augmented by the Chilean Government; and

VII. Chile has ordered to Germany 100,000 rifles and requires their immediate delivery.

In view of these facts and as the first memorandum of my Government has as yet remained unanswered, my Government jointly reiterates to the Powers who have mediated in previous conflicts its request that they exercise their good offices in the form they deem best, with the intent of upholding the prestige of our continent and maintaining international peace.

I am [etc.]

M. DE FREYRE Y S.

File No. 723.2515/257.

The American Minister to Peru to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Lima, December 4, 1911.

Minister for Foreign Affairs informed that Chile has purchased munitions of war in Germany immediate delivery and that 7,000 men still in Tarata, Arica, and Tacna will be increased to 50,000 in furtherance of positive plan of attack of which Peru knows. Chilean advantage land and naval forces, with natural alliance from boundary disputes, presents conditions that will involve all at Chilean instigation. Defenseless, Peru invokes mediating Powers.

HOWARD.

File No. 723.2515/264.

The American Minister to Peru to the Secretary of State.

No. 78.] AMERICAN LEGATION,
Lima, December 4, 1911.

SIR: Following my cable of this date, I have the honor to report the receipt, from the Minister for Foreign Affairs, of memorandum No. 2, continuing the narrative of October 23, concerning Chilean

activities on the Peruvian frontier and the former's preparation for war.

I had called at the Foreign Office to obtain confirmation or denial of some of the many current rumors, and was there informed of the preparation of the inclosed memorandum, and that up to this time the Chileans have driven as many as 5,000 Peruvians from their homes, a fact not mentioned in the memorandum.

I have [etc.]

H. Clay Howard.

[Translation.]

No. 2.] MEMORANDUM.

Office of Foreign Relations.

Chile has made no halt in the series of provocations and abuses briefly outlined in this office's memorandum of the 23d of October last, which it found itself obliged and had the honor to submit to the illustrious Governments of the United States of America, the Argentine Republic, and Brazil.

On the contrary, anxious to draw Peru into an armed conflict which should afford it a propitious opportunity to bring about the country's total ruin, Chile has carried its measures of violence to an extreme, has willfully planned the commission of outrages and carried out the most unjust administrative acts, with the clear intention of wresting from us the dominion of the Provinces of Tacna and Arica in a wholly one-sided manner, which is all the more injurious, scandalous, and irritating as in consequence of these acts the sacred stipulations are ignored of the treaty of Ancon, which Chile seeks not to respect or fulfill or even bring to mind. Hardly had the vexatious acts terminated which I related in my previous memorandum when, on the 24th of October, there commenced in Antofagasta a boycott of the Peruvian business establishments and hostilities were committed on the persons of all the Peruvians residing at that port.

On the 24th of October the so-called Patriotic League, organized to the image and likeness of that in Iquique, in terrifying terms notified the most prominent and influencial members of the Peruvian colony, such as Mr. Meneses Cornejo and others, of their expulsion, and they were immediately given notice to quit the place in the limited space of eight days (October 31); and all this in the presence and hearing of the authorities, who, when asked for guaranties for the lives, property, and freedom of residence of those whom it was sought to expel, pleaded the lack of sufficient forces to carry out their decisions should they be opposed to the objects of the league and its members.

On the 3d of November, General Solar, commander of the forces at Tacna, imposed upon the manager of the Bank of Tacna, the Peruvian citizen Mr. Artidoro Espejo, the closing of that institution without alleging any of the reasons for so doing than "the unsuitability to Chile of the existence of a Peruvian bank in the locality"; and, on the following day (the 4th), that chief carried out his threats by sending troops to the doors of the bank and closing the entry to or exit from same by all persons who were either engaged or wished to engage in business operations. Mr. Espejo called a meeting of the directors, and, rightly presuming that the outrage committed was directed principally to the elimination of his person, resigned his position as manager; without, however, appeasing the fury of the Chilean authorities, who almost simultaneously ordered him to leave the town in a very limited space of time, together with other influential Peruvians, such as the judicial agent, Mr. Enrique Zerga; the president of the Peruvian Benevolent Society, Mr. Carlos Vives, and several others.

On the same day (the 4th of November) the doors of the Peruvian Club were forcibly closed and on futile pretexts one or more of the houses of Peruvian families were even entered, thus violating the most sacred rights of the home.

On the 7th of November, as a result of a series of threats, which eventually overpowered the good will of Mr. Hudson, the English Consul in Iquique in charge of the Peruvian Consulate at that port, it was found necessary to order Mr. Garcia, the clerk of that Consulate, to leave the place.

On the 20th the injuries and outrages against the Peruvians in the town and in the nitrate districts were renewed under the direction of the famous Patriotic League, which preached the depriving of our fellow citizens of all work and brought about a strike to carry out their desires. Their pretension was, as usual, carried to the extreme of shouts and vociferations, calling for the expulsion of the Peruvian colony, which, in spite of its being honest, hardworking, and of proverbial usefulness which makes it preferable and preferred in all kinds of hard labor and in every kind of business, finds itself to-day excluded from both one and the other through the fear of those who require its services; abandoned to misery through the want of a daily wage and, consequently, constrained to leave for kinder and more hospitable regions, where its members will be treated as rational and free beings.

In speaking of this matter it is a crying shame that such a contradictory and inhuman system should, only in the case of Peruvians, seem to prevail in Chile. On the one hand they are deprived of work and their daily bread, and their expulsion is continuously the cry, while on the other hand, under the allegation that the nitrate industry can not be deprived of labor to the detriment of both owners and the State, the authorities by armed force stationed on the landing stages forcibly prevent their departure. What qualification, rationally and calmly speaking, can be given to such an absurd and contradictory state of things?

Latterly, after securing the permission of the Argentine Government, which expressed its satisfaction at the idea to our Minister in Buenos Aires, a plan was formed for an emigration of the Peruvians from Iquique to the farm ranches of Rio de la Plata, which, for reasons well-known to all, require labor in harvest time; that emigration was to have begun on the 7th of October, when it was prevented by the authorities in the forcible and violent manner I have just described.

II.

Conjointly with these measures, which we may qualify as fortuitous, in spite of their exceeding gravity, Chile has set on foot other extraordinary and scandalously aggressive measures against the rights of our nation which signify the disregard of our sovereignty, the violation of solemn treaties in full effect, and the most flagrant heedlessness of the principles, practices, and laws sanctioned by international law.

On the 8th of November Senator Walker Martinez submitted to the Senate a project of law authorizing the Provinces of Tacna and Arica to hold elections for Senators and Deputies, and municipalities; as if those Provinces were not simply occupied by Chile under the treaty of Ancon, and as if it were dealing with parts of the country already definitely incorporated in the nationality, territory, and sovereignty of Chile. Such willful extralimitary action, in which is to be discerned the secret desire to generate a new and inevitable conflict, considers the fate decided and the annexation as resolved upon of portions of territory historically Peruvian, in which the stipulated plebiscite has not yet been held that is to determine their final condition and the legitimate dominion, and places in evidence the deepest contempt for the faith pledged in treaties and the most striking violation of the duties imposed by the law of nations.

States so respectable and civilized, so just and straightforward, as those to which this memorandum is addressed require no explanations on this topic nor comments which would offend their eminent wisdom. The simple enumeration of such an international absurdity is sufficient to merit their verdict of condemnation and evoke the attitude in keeping with their greatness.

The project of Senator Walker Martinez would in itself really matter very little to Peru; for every man has a right to think, wish, and propose according to his own opinions, aspirations, and interests; but the extremely grave and injurious point of the project is that it should be openly patronized by the Government of Chile. Indeed, the Chilean Council of State, in a session presided over by His Excellency Mr. Barrion Luco himself, the President of that country, decided on the 15th of November instant to include the project in the matters to be submitted for discussion during the present extra session of Congress; on which account it is to be feared that very soon the legislative power of our southern neighbor will sanction it as a law, thus consummating the outrage planned by the measure and legalizing the iniquity which the project in each and every one of its clauses embodies.

A few days ago the director of the irrigation of the Valley of Tacna, Mr. V. Belaude, a Peruvian citizen, was summoned by the above-mentioned Gen. Solar

to appear before him, and was by him obliged peremptorily and under threats to sign his resignation, being replaced in that post, which is filled according to Chilean law by election and by virtue of which he was elected, by a Chilean employee directly appointed by that chief. One would at first imagine that such an outrageous usurpation of functions was the result of a personal display of furious hatred of Peru, which inspires the acts of all the Chilean officials. But it is not so. There is at the bottom of it all another plan, aggressive and striking, like the rest. On that same day, the 15th of November, the Government of Chile presented to the extra session of Congress another project for the granting of gratifications to the soldiers, subofficers, and revenue officers, etc., in Tacna and Arica, which gratifications are to be expressly expended in the acquisition by the grantees of country farms in both Provinces; and it can not otherwise be presumed, given the information in possession of this office, than that the forced resignation of the director of irrigation, Mr. Belaude, and his illegal substitution by a Chilean employee, are directed to the obtaining of the administration of water at their discretion, and the cessation of the present irrigation concessions; in a word, the object being to commit hostilities on the Peruvian agricultural population, who impeded in cultivation in every way, and through the ruin of their interests, will find themselves in the dire necessity either of promising to vote for Chile in the projected one-sided plebiscite or parting with their small property holdings, selling them at infamous prices to Chilean buyers, who later will invoke their new conditions of property holders in order to claim direct participation in the holding of the plebiscite.

The same is the object of the last decree, issued on the 21st of November, which establishes that all those who were born in Tacna and Arica after 1885 are subject to the Chilean law concerning recruits and conscription of the 5th of September, 1900; that they are in consequence to be called out for military service in the Chilean Army, and are consequently obliged to matriculate in the conscription lists, which matriculation is to be effected in the first 15 days of January, 1912. To this end Gen. Solar, on the date above mentioned, has written to the offices of the civil register requesting a list of those born between 1885 and 1911; and Gen. Arancibia, according to advice received from Señor Holder Freyre, our governor at Tacaco, which is on the frontier, has been in Tarata since the beginning of November (the 9th) on a like mission in connection with the civil registers' offices of that place.

It is natural to suppose, in the face of this decision of the Government of Chile, when strictly carried out by the subaltern authorities, that all the young Peruvians thus threatened with being made Chilean conscripts will, in their unswerving and conspicuous patriotism, have to choose voluntary expatriation rather than the possibility of entering into a service so opposed to their dignity as men and the sentiments of loyalty to the country of their birth; and then when their emigration is consummated and the two Provinces are stripped of all the Peruvian element, conscious of their rights and competent to vote, we shall se the Chilean Government mockingly invite Peru to hold the plebiscite which ought to have been held 17 years ago and which Chile has indefinitely postponed under a thousand pretexts until it finds, as a result of this series of violent and scandalous measure, the Chilean element there predominant, as if Peru—who well knows that the Peruvians of Tacna and Arica are the only ones who ought to choose their nationality in the postponed plebiscite, and not the Chileans who have nothing to decide with regard to a nationality which they possess *ab origene*—could accept solutions prepared in a cold-blooded manner to their detriment, the formula of which is seen to have been resolved upon beforehand, ignoring all mutual agreement, with complete disregard for our right and scorn for the most rudimentary justice.

Our agents in Germany have opportunely informed us of a very recent and large order for warlike elements, which Chile has given to that country, and have drawn our attention to the eloquent circumstances that this order was and continues to be called for with a condition of supreme urgency.

In Arica, Tacna, and Tarata there remain the 7,000 men which our gratuitous and pertinacious enemy concentrated there under the pretext of military maneuvers; and we are in possession of trustworthy information of an early, successive, and secret concentration in the same region of up to 50,000 men; all of which information, like the foregoing, go to prove without a shadow of a doubt that a plan is to be executed in the near future with the purpose of causing fresh ruin or a fresh outrage on the Republic of Peru.

We are well aware as to the nature of this plan, but the Peruvian Foreign Office refrains from presenting it at present in all its nakedness and repugnancy, since its desire is that the present document shall be submitted as based, not on mere conjectures but on solid facts.

III.

As will be seen from all the foregoing, the situation between Peru and Chile appears to be daily growing in gravity, and the imminence of a contest on the coasts of the South Pacific more certain.

If the conditions of the presumptive combatants were those of approximate equality, the abstention of the great powers of the continent would be a natural event, inclined as they naturally are to a customary neutrality. But the enormous inequality of the land and naval forces of the two countries—Chile, the stronger of the two, having the further advantage of an alliance, either tacit or explicit, with all those with whom Peru has unsettled boundary questions: an alliance directed to the polonization ["polonización" in the original] and ruin of Peru—gives this interminable international contest the character of spoliation—without risk, counterpoise or danger—comparable to those murders which penal science calls *qualified* and which are committed in *cold blood* and *without the possibility of defense.*

Peru, with great faith in the reality and efficacy of international law, places its trust in the great nations which, exercising their noble and altruistic purposes, mediated in its conflict with Ecuador at the mere sign of a rupture; and trusts that they will now adopt like action in this case in order to prevent Peru—out of pure malevolence and pride, for the sake of the display of a might born of and supported with the spoils taken from the vanquished—from being bled and mutilated in the presence and with the knowledge of the civilized world, only because it has committed the strange and horrible crime of refusing to allow that spoliation to be amplified and extended with its own consent and in flagrant violation of the laws and obligations by which the conqueror spontaneously bound himself to abide in a solemn treaty concluded without the slightest indication of error, violence, or deceit—defects which it is impossible to suppose existed in the conqueror, who at the time the treaty was signed was not only well aware of their meaning, but was strong and powerful by reason of his victory.

File No. 723.2515/261.

The Peruvian Chargé d'Affaires at Washington to the Secretary of State.

PERUVIAN LEGATION,
Washington, December 12, 1911.

MY DEAR MR. SECRETARY: In the earnest endeavor to avoid a conflict with Chile over the question of Tacna and Arica, my Government has instructed me to approach you once more on the subject, trusting you will understand the motives of its insistence and therefore will overlook its seeming pertinacity.

It would appear that all the facts of the case have been stated, disclosing the intentions of the Chilean Government to forcibly settle to its own advantage the long-standing controversy it has sustained with that of Peru in regard to the execution of the treaty of Ancon. No doubt can either subsist that such an act, unrighteous in itself, would be fraught with serious consequences for the peace of our continent.

What my Government now wishes to emphasize is that only the action of the Governments to whom it has appealed can now solve the problem that has caused such prolonged unrest in South America, and avert useless strife.

If it ever seemed possible that in the course of time a direct understanding between the Governments of Peru and Chile could be

reached, events have unfortunately dispelled such a belief. Left to themselves, both countries have drifted farther and farther apart, until they have reached to-day the point of a definite and irreparable breach.

It would be irrelevant to analyze at present the various causes that have contributed to engender such a result; suffice it to say that all attempt tending to a direct and peaceful settlement of the dispute has failed, and that consequently but one resource is left: that of a common action on the part of friendly nations, who would interpose their good offices between the contending parties.

That such a course is possible, no one can deny; nor is it wholly improbable that even those who heretofore have rejected all outward interference would welcome to-day the opportunity of withdrawing from the extreme positions in which they have ill-advisedly placed themselves. For, in spite of their arrogance, they must be well aware that the benefits of peace greatly outbalance those to be derived from undue territorial expansion, and that a friendly settlement of a controversy, assuring a stable understanding, is certainly preferable to temporary advantages obtained by force, that leave behind an aftermath of resentment and discontent. No clear-sighted statesman could fail to perceive that a solution imposed by sheer might would be merely provisional, postponing and aggravating the final adjustment instead of definitively regulating the dispute.

Moreover, if one stops to consider that were Chile to carry out its plans of annexing Tacna and Arica by coercion the indignation of the people of Peru would be aroused beyond control, and that no possible direct agreement can avert the crisis, it becomes apparent that, if peace is to be maintained, only the influence of parties not directly concerned in the controversy can dominate the situation.

Owing to its great moral strength, but above all because its motives can not be misconstrued, the Government of the United States seems to be the one called upon to take the initiative in the matter. Far above and apart from the frictions that probably hinder the movements of the other friendly nations of South America, too intimately united, perhaps, to our political life to act with utter freedom, the United States could easily lead them on a road they would be sure to follow, but in which they may hesitate to take the first step.

My Government, therefore, hopes that after the Government of the United States has studied the question, ascertaining the accuracy of the statements made in the two memorandums lately delivered to the representatives of the United States, Argentina, and Brazil at Lima, it will reach a decision securing a durable peace to our continent and the normal development of each country within the bounds of its lawful sphere of action.

I am [etc.]

M. DE FREYRE Y S.

File No. 723.2515/268.

The American Minister to Chile to the Secretary of State.

No. 165.] AMERICAN LEGATION,
Santiago, January 9, 1912.

SIR: I have the honor to report that the project of representation of the Provinces of Tacna and Arica in the Chilean Congress has

made no further progress in the House, where it has met obstruction at the hands of one of the minority parties, which seems to wish to be assured as to the distribution of the seats in the Senate and House before agreeing to its passage.

I have [etc.]

HENRY P. FLETCHER.

File No. 723.2515/270.

The American Minister to Peru to the Secretary of State.

No. 123.] AMERICAN LEGATION,
Lima, June 1, 1912.

SIR: I have the honor to report that in one of the interviews with the President of Peru upon the subject of the discovery of nitrate about one hundred miles north of the Chilean frontier, he stated that he had been informed, after the Chilean press had published vague rumors to that effect, that a commission of four of the representative citizens of Chile were coming to Lima for the ostensible purpose of investigation and report upon Peruvian methods of agriculture, mining, irrigation, etc., but that in fact the purpose was to open negotiations for some settlement of the question of Tacna and Arica.

Upon discussing with Mr. Paxton Hibben, late American Chargé d'Affaires in Chile, the questions between that country and Peru, I found that, coupled with a comprehensive grasp of the situation and a knowledge of Latin-American peoples, he had the added information of the exact sentiment of the Chilean President, Minister of Foreign Affairs and other public men on the one hand and of the Chilean public on the other. I asked that he accompany me to see the President of Peru in the possible hope of approximating, at least, some understanding between the two Republics, which might ripen through diplomatic intervention into a solution of the long-pending question. In view of the information looking to that end of which Mr. Hibben was possessed, we accordingly spent some time with the President on yesterday afternoon, and I beg to report the following:

Repeating his conversation with me, Mr. Hibben stated to the President that the visit of the four public men of Chile, which had been reported by him to the Department, had been decided upon and that their real purpose was a consideration of the Tacna and Arica question; but that on account of the sentiment of the people of Chile in opposition to any settlement other reasons had been assigned for their visit. He said that the President of Chile, having yet four years more of his term to serve, had expressed himself as most desirous of an amicable settlement of the Tacna and Arica question during his incumbency and before the completion of the Panama Canal. He stated that he had urged upon the Chilean officials that the continuance of the unsettled conditions from which war might result at any time had such an effect upon Chile's standing with the financial world as to tend to retard its development; and, regardless of the merits of the proposition, with which the world at large had little or no concern, a settlement should be reached even though both countries had to sacrifice what each claimed as rights. He said that the President of Chile was advanced in years, and had no ambition

for a political future; and that the President had stated to him that any solution short of a continued occupation and ownership of Tacna and Arica meant the political doom of any man or men advocating or consummating same; but that he personally cared nothing for that. He quoted other public men of Chile as being in accord with this sentiment, but excepted as radically opposed thereto the Chilean Minister to Ecuador, Mr. Victor Eastman. He quoted the latter as saying that within two years he might be in the Ministry of Foreign Affairs, and that he personally would be in favor of placing beyond all question the ownership of Tacna and Arica by proclaiming it, once and for all, as Chilean property, following a plebiscite to be held along the lines of Chile's proposals. Mr. Hibben said that the real proposition that the four Chilean emissaries would submit was that the provinces in question should be returned to Peru, and be simultaneously reconveyed at an agreed purchase price to Chile. He named the approximate sum of thirty million dollars, as heretofore mentioned, saying that amount would, no doubt, be increased if demanded. Various phases of the proposition were discussed by the President of Peru, but, in conclusion he said that if Chile was not willing to arbitrate, he did not believe that the Peruvian Government could or should transfer to Chile the provinces of Tacna and Arica, so long as they were populated by Peruvian citizens. He indicated that such a course would be an abandonment of the obligation that the Republic owed to its citizens, which he did not think that Peru would consent to. He expressed the belief that the natural resources of his country under the development that must come would place Peru upon a footing of equality, if not of marked superiority, and upon a plane from which she would be in a position to dictate rather than to submit to terms. Mr. Hibben, upon the other hand, said that he did not believe that any Chilean would entertain for a moment any proposition of settlement which involved the surrender of one foot of the territory in question.

The President then said that Peru was, of course, desirous of settling all of her international questions, and whether that desire would be sufficiently potent to acquiesce in a division of the territory—Arica to Chile and Tacna to Peru—he could not now state.

Mr. Hibben said that he felt positive that Chile would not agree to any surrender of territory.

I will add that during the conversation some suggestion was made that Chile's change of front may have been prompted by a desire for the settlement proposed while her land and naval forces placed her upon the vantage ground and in a position to more or less dictate the terms of any agreement that might be reached. It was also stated that Chile assigned as a reason for not surrendering the territory that Peru could not pay anything for it; to which the President replied that in that they were wholly mistaken, as Peru could and would make it a cash transaction at any time; and that, moreover, in any settlement made, Peru would be willing to pay for any improvements that Chile had made upon territory to be owned by the former.

With regard to the question of the plebiscite, Mr. Hibben stated that the Chileans steadily rejected all suggestion of an impartial umpire as between a Peruvian and Chilean election officer to come

from any European nation, whose disinterestedness in the affairs of either country would insure impartial action.

I have [etc.]

H. Clay Howard.

File No. 723.2515/271.

The American Minister to Chile to the Secretary of State.

[Telegram.]

American Legation,
Santiago, November 10, 1912.

I am informed that Peru and Chile are about to agree upon a settlement of the Tacna-Arica question on the basis of a commercial treaty of reciprocity to be concluded at once, Chile to pay Peru £500,000 on the signature of treaty. There will be a plebiscite to determine sovereignty over provinces to be held twenty-one years hence and limited to Peruvians and Chileans then resident in the provinces. Election board to be composed of Peruvians and Chileans, one of whom will be President of Chilean Supreme Court. Losing nation to pay indemnity stipulated in treaty of Ancon. Have not been able to verify this officially but the information seems reliable.

Fletcher.

File No. 723.2515/275.

The Minister of Peru at Washington to the Secretary of State.

Peruvian Legation,
Washington, November 11, 1912.

Sir: I have the honor to inform you that my Government has advised me by cable that it has decided to reestablish diplomatic relations with the Republic of Chile and that this will be effected by the simultaneous appointment by both nations of Ministers Plenipotentiary to the other.

I feel certain that this information will be specially welcome to the President because during his term of office he has distinguished himself as a friend of peace and good-will among the nations, and I beg you to tell him that Peru in acting thus gives another proof of its decided love of peace.

Accept [etc.]

F. A. Pezet.

File No. 723.2515/272.

The American Minister to Chile to the Secretary of State.

[Telegram.]

American Legation,
Santiago, November 11, 1912.

Minister for Foreign Affairs has given out statement to the effect that an agreement has been effected by telegraph with Peru to reestablish diplomatic relations and fixing precise terms of settle-

ment of the Tacna Arica question. Council of State will be held today and if they approve the bases of settlement will be submitted to Congress at once.

FLETCHER.

File No. 723.2515/272.

The Secretary of State to the American Minister to Peru.

[Telegram.]

DEPARTMENT OF STATE,
Washington, Nov. 12, 1912.

The Department has been informed by Legation at Santiago and Chilean Minister here that an agreement has been effected for reestablishment of diplomatic relations between Peru and Chile and the settlement of Tacna-Arica question. Has Peruvian Government officially informed you of the conclusion of such an arrangement so full of promise for the future welfare of both countries? What are the probabilities for its ratification by Peruvian Congress?

KNOX.

File No. 723.2515/272.

The Secretary of State to the American Minister to Chile.

[Telegram.]

DEPARTMENT OF STATE,
Washington, Nov. 12, 1912.

Your November 11. Chilean Minister reports arrangement satisfactorily concluded and Department expressed satisfaction at intelligence that this question has entered upon the stage of settlement and trusts that the outcome will realize the promise of good will to the welfare of both countries.

KNOX.

File No. 723.2515/273.

The American Minister to Peru to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Lima, Nov. 13, 1912.

Your November 12. The President confirms the report and says Congress will ratify the agreement.

HOWARD.

File No. 723.2515/278.

The American Minister to Peru to the Secretary of State.

No. 177.] AMERICAN LEGATION,
Lima, November 13, 1912.

SIR: When the press on the 11th instant announced the resumption of diplomatic relations between Peru and Chile and an agreement for the settlement of the Tacna and Arica question, I have

the honor to report that the President had agreed to notify me when certain data was at hand upon the nitrate development, and I had delayed calling because expecting a notice from him. It was not, therefore, until today that confirmation of the reports was sought and obtained. The President said that he had been wanting to see me to give the particulars, and went into a communicating room where he dictated the enclosed paper giving the substance of the agreement reached between the two countries. I herewith enclose same and a translation. He spoke with apparent gratification at the outcome, saying that his country was at this time in no condition to press for a plebiscite, and he expects that Congress will ratify the action taken.

I have [etc.] H. CLAY HOWARD.

[Inclosure.]

1st. On Sunday, the 10th instant, at two o'clock in the afternoon, the Ministers of Chile and Peru exchanged friendly cablegrams, renewing diplomatic relations.

2nd. It was agreed mutually to postpone the popular vote with respect to Tacna and Arica until 1933.

3rd. The popular vote is to be taken under the presidency of a mixed commission composed of two Peruvian delegates and two Chilean delegates, and is to be presided over by the President of the Supreme Court of Justice of Chile.

4th. All those born in Tacna and Arica, and Chileans and Peruvians not born there who have resided three years in the territory, will vote.

5th. Chile will send a Minister Plenipotentiary to Peru and Peru will send a Minister Plenipotentiary to Chile.

6th. The Chilean Government will pay to the Peruvian Government £500,000 sterling for the occupation of the disputed territory during the twenty-one years.

File No. 723.2515/274.

The American Minister to Chile to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Santiago, Nov. 15, 1912.

Chilean Government sent to the Senate, Monday last, message recommending law establishing Legation in Lima and submitting basis of settlement. The message has met with some opposition in the Senate's secret sessions. Debate upon it will be resumed Monday. Minister for Foreign Affairs has confirmed, in informal conversation, the basis of settlement substantially as stated in my November 10, 9.00 p. m. He believes Government will be sustained eventually by the Senate and the House.

FLETCHER.

File No. 723.2515/275.

The Secretary of State to the Minister of Peru.

No. 15.] DEPARTMENT OF STATE,
Washington, November 16, 1912.

SIR: I have the honor to acknowledge the receipt of your note of the eleventh instant, informing me that the Republics of Chile

and Peru are about to re-establish diplomatic relations, and that this will be effected by the simultaneous appointment by both nations of Ministers Plenipotentiary to the other.

I hasten to assure you that this information has given great satisfaction to this Government, which has always desired to see peace and good-will throughout America. This Government is hopeful of the best results for the future welfare of both Peru and Chile from the re-establishment of diplomatic relations.

I have personally brought your note to the attention of the President, who is much gratified to learn that Peru and Chile have taken such a decided step forward in the path of peace and good-will.

Accept [etc.]

P. C. KNOX.

File No. 723.2515/282.

The American Minister to Chile to the Secretary of State.

[Extract.]

No. 278.] AMERICAN LEGATION,
Santiago, November 18, 1912.

SIR: I have the honor to confirm my telegrams on the subject of Tacna and Arica. * * *

I called at the Foreign Office on the 15th upon other business, and at the close of my conversation with Mr. Huneeus informed him of the communication made to the Department by Mr. Suárez Mujica and of Mr. Knox's reply as learned from the Department's telegram of November 12, and congratulated him upon his achievement. He expressed his appreciation and said that any points which seemed unsatisfactory could and would be settled in the negotiations which would follow immediately upon the resumption of diplomatic relations.

He very frankly communicated to me the bases of settlement, though he stated that they were confidential for the present. They are substantially as stated in my telegram of November 10, but for the Department's convenience I recapitulate them here, as follows:

1. Diplomatic relations to be reestablished at once.
2. A commercial treaty of reciprocity to be negotiated immediately.
3. Chile to pay Peru 500,000 pounds on the signature of the treaty. (It is understood that Peru will devote this sum exclusively to economic, i. e. non-military, purposes.)
4. Definitive status of Tacna and Arica provinces is to be decided by a plebiscite to be held 21 years after signature of new treaty or protocol which will stipulate that the right to vote on the question will be limited to Peruvians and Chileans, able to read and write, who shall have resided in the province three years before the plebiscite. (This will exclude Indians and foreigners.)

The Election Board will be composed of five persons: the Peruvian Government will nominate two of its nationals as members and the Chilean Government likewise will nominate two Chileans; to these will be added the President of the Supreme Court of Chile, at the time being, who will be President of the Tribunal; and in case of disagreement the majority of the Tribunal shall decide and their

acts will be binding on the whole Board. (This will enable Chile alone to hold the plebiscite in case Peru should withdraw for any reason.)

The losing nation is to pay the full amount of the indemnity stipulated in the Treaty of Ancon. (The 500,000 pounds bonus to be paid by Chile to Peru on the conclusion of the commercial treaty is entirely independent of any indemnity connected with the plebiscite.)

I have [etc.]

HENRY P. FLETCHER.

File No. 723.2515/277.

The American Minister to Peru to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Lima, November 27, 1912.

Brazil and Argentina having cabled approval Tacna-Arica settlement, President Billinghurst asks if Department approves terms. Says such expression would expedite congressional ratification.

HOWARD.

File No. 723.2515/277.

The Secretary of State to the American Minister to Peru.

[Telegram.]

DEPARTMENT OF STATE,
Washington, November 30, 1912.

Your telegram November 27, stating President Billinghurst requests an expression of the opinion of the Department regarding terms of Tacna-Arica settlement for use with the Peruvian Congress. Obviously Department can not place itself in a position appearing to influence such legislation or the will of the parties in a matter of such great national importance even if it had knowledge of the terms of the arrangement. Bearing this in mind the Legation may, however, say to President Billinghurst that this Government rejoices to learn that Chile and Peru are about to reach an agreement looking to the resumption of diplomatic relations and the final settlement of the Tacna-Arica question, the consummation of which is so full of promise for the future welfare of both countries.

KNOX.

File No. 723.2515/285.

The American Minister to Chile to the Secretary of State.

No. 286.] AMERICAN LEGATION,
Santiago, December 3, 1912.

SIR: In continuation of my No. 278 of November 18 last, on the subject of the Chilean-Peruvian negotiations, I have the honor to

report that the bases of the settlement are still under discussion in secret sessions of the Senate.

I am informed, privately, that the payment of 500,000 pounds sterling by Chile to Peru has been eliminated as one of the terms of settlement. I also understand that there is to be a secret agreement between the two countries to maintain the same export tax on nitrate. Many persons believe that the reported discovery of nitrate in southern Peru has contributed in no small degree towards bringing the two countries together.

The Department, I am informed, is already aware that, by the provisional contract of the Government of Peru and the DuPont Company, it is stipulated that the duties and taxes to be received by Peru on any nitrate which may be found shall correspond exactly to those levied on this article in Chile.

I am informed by members of Congress, who profess to know, that the prospects of reaching a settlement are good but that no efforts will be made to hurry matters.

I have [etc.]

HENRY P. FLETCHER.

File No. 723.2515/278.

The Secretary of State to the American Minister to Peru.

No. 98.] DEPARTMENT OF STATE,
Washington, December 4, 1912.

SIR: Your despatch No. 177 of November 13, 1912, transmitting the bases for the agreement between Chile and Peru for the resumption of diplomatic relations and the settlement of the Tacna-Arica controversy has now been received.

The Department believes that the attitude of this Government towards the proposed arrangement has been fully explained by its telegram to you of November 30.

I am [etc.]

P. C. KNOX.

File No. 723.2515/281.

The American Minister to Chile to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Santiago, December 12, 1912.

Further discussion of the settlement with Peru has been postponed for the present by the Senate. Foreign Office informs me postponement is due to reported adjournment of Peruvian Congress without action on the agreement and that the Chilean Government is waiting to hear how matters stand in Peru before proceeding any further. It was understood that the settlement should advance pari passu in each capital. There have been rumors to the effect that the negotiations have ended in failure but this is denied by the Chilean Government.

FLETCHER.

File No. 723.2515/281.

The Acting Secretary of State to the American Minister to Peru.

[Telegram.]

DEPARTMENT OF STATE,
Washington, Dec. 14, 1912.

Tacna-Arica agreement. Has Peruvian Congress adjourned without taking action as reported from Chile?

WILSON.

File No. 723.2515/283.

The American Minister to Peru to the Secretary of State.

[Telegrams.]

DEPARTMENT OF STATE,
Lima, Dec. 15, 1912.

Your December 14. No action. Congress convened yesterday in extraordinary session.

HOWARD.

File No. 723.2515/284.

AMERICAN LEGATION,
Lima, Dec. 17, 1912.

Your December 14. President says diplomatic relations must first be resumed; that when Chilean Congress concurs in appointment of Minister to Peru he can and will immediately name Minister to Chile. Treaty can then be prepared for ratification by Congresses of both countries.

HOWARD.

File No. 723.2515/286.

The American Minister to Chile to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Santiago, Dec. 30, 1912.

No progress is being made in the Chilean-Peruvian negotiations and prospect of successful issue seems to be fading.

FLETCHER.

File No. 723.2515/289.

The American Minister to Chile to the Secretary of State.

[Extract.]

No. 300.] AMERICAN LEGATION,
Santiago, January 30, 1913.

SIR: I have the honor to report that the Chilean Congress has been adjourned until June first, next, and that no action has been taken on the President's message of November 11th, last, recommending

the creation of a Chilean Legation at Lima. * * * The recent or, as one might say, the present negotiations, for informal negotiations are still being carried on, and have undoubtedly advanced [the Tacna-Arica] matter toward a solution. Peru, in accepting the Chilean majority and organization of the election board which by the Hunecus-Valera arrangement was to have held the plebiscite, practically accepted in advance a result adverse to her pretensions and from that to a frank recognition of a fait accompli may not be a far cry.

I gather from casual conversations with Mr. Villegas[1] that the Chilean idea is to propose a definite recognition on the part of Peru of Chilean sovereignty of Tacna and Arica, or at least of the major portion of these two provinces—for it may be that a division such as suggested in my No. 32 of December 2, 1910, will be resorted to in order to more readily secure acceptance of the cession in Peru—Chile paying practically any sum fixed by Peru. Of course the difficulty in this apparently simple solution is the strong probability that it will not be entertained by Peru and Mr. Villegas has hinted to me that, if matters progress so far, Chile would greatly appreciate our good offices in recommending to Peru the acceptance of such an arrangement. To this I have replied very guardedly, saying merely that my Government would be very pleased to see the matter settled to the satisfaction of all concerned but that in a delicate matter of this sort the President and Secretary of State would have to decide how far it would be possible to offer friendly advice to either party, and I have hinted that, as our friendly and disinterested action in the past towards securing peace between Chile and Peru has been misjudged and badly interpreted in Chile, the Department may feel reluctant to interpose its good offices again. In other words, I did not encourage the Minister to hope for a favorable reply in case he should make his request, but, on the other hand, I did not without instructions feel at liberty to discourage him from making it.

It is the general impression here that no Peruvian Government will be able to agree to the definite cession unless it can give the impression that it is accepting the inevitable and yielding not only to the pressure of Chile but to the advice of third parties as well.

In my opinion it would be a great mistake for the United States alone to offer any advice in the dispute—how far it might be possible to go in company with Argentine and Brazil and other countries in the premises is perhaps another matter—but it seems to me that our own interests will be better served by a strict impartiality and absolute non-interference either singly or collectively. If this course shall be maintained Chile can not complain; the unfortunate results of former similar efforts on our part are a sufficient answer. In Peru the particularly friendly feeling towards us would be changed in a twinkling to enmity and distrust. We have, I believe, everything to lose and nothing to gain by interfering.

Should the Department wish me to discourage the Minister for Foreign Affairs from making a request for our good offices in this connection, there will be time to instruct me in this sense before the negotiations reach that point and I can do so quite informally and

[1] The new Minister for Foreign Affairs.

without difficulty. Failing to receive any instruction on the subject, I shall allow the matter to take its course without encouragement or discouragement.

I have [etc.]

HENRY P. FLETCHER.

File No. 723.2515/289.

The Acting Secretary of State to the American Minister to Chile.

DEPARTMENT OF STATE,
Washington, March 17, 1913.

SIR: The Department acknowledges the receipt of your despatch No. 300, of January 30, 1913, regarding the question of the settlement of the Tacna-Arica dispute between Chile and Peru, which it has read with considerable interest.

The attitude adopted by you in your formal interview with Mr. Villegas meets with the Department's approval.

The Department does not wish definitely to instruct you to discourage any suggestion from the Chilean foreign office looking to the friendly mediation of the United States, either alone or in conjunction with Argentine and Brazil, as it may not be impossible that at some future date the situation may change in such a way as to render it desirable that this Government should act.

You will accordingly be guided by the knowledge that it is the general policy of this Government not to act as mediator unless requested to do so by all parties to a dispute.

Should the Chilean Minister for Foreign Affairs again approach you on this subject, you should reply, without indicating that you have any special instructions, that you know the above to be the general policy of this Government in such matters, even when, as in this case, it is most desirous, for the welfare of both countries, that a speedy solution of the question, satisfactory to both Chile and Peru, be reached.

Such a reply would leave the Department free in the eventuality that both Chile and Peru should indicate a desire for the friendly and impartial good offices of the United States.

The Department is sending to the Legation at Lima, for its strictly confidential information, a copy of your despatch and also a copy of this instruction. Should it develop in the future that the Government of Peru should desire outside advice, it might see fit to request the mediation of this Government, in which case you will be informed by telegraph.

I am [etc.]

HUNTINGTON WILSON.

File No. 723.2515/289.

The Acting Secretary of State to the American Minister to Peru.

DEPARTMENT OF STATE,
Washington, March 17, 1913.

SIR: The Department encloses for your strictly confidential information a copy of a despatch from the Legation at Santiago, dated January 30, 1913, relative to the possible settlement of the Tacna-

Arica dispute, and a copy of the Department's reply to Minister Fletcher.

You will be guided in general by the instruction to Mr. Fletcher, but should any situation as that indicated in the instruction arise, you will, before committing this Government, telegraph for special instructions.

I am [etc.]

HUNTINGTON WILSON.

File No. 723.2515/290.

The American Minister to Chile to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Santiago, March 19, 1913.

Minister of Foreign Affairs informs me that negotiations have been resumed with Peru through intermediation of Chilean Consul at Callao and has shown to me telegrams exchanged recently by which the effect of secret message of the President of Peru to the Peruvian Congress which caused interruption of negotiations is neutralized. From telegrams both parties appear anxious to reach satisfactory arrangement but no definite propositions have been advanced. Minister of Foreign Affairs hopes to settle on basis outlined in my despatch No. 300.

FLETCHER.

File No. 723.2515/291.

The American Minister to Chile to the Secretary of State.

No. 334.] AMERICAN LEGATION,
Santiago, April 29, 1913.

SIR: I have the honor to inform the Department that the negotiations with Peru are, and have been for over a month, at a standstill.

As outlined in my telegram of March 19th, negotiations were conducted through the Chilean Consul at Callao which are thought to have cleared up the misunderstanding arising from the secret message of the Peruvian President to his Congress, but there the matter is resting.

It seems that President Billinghurst communicated the Huneeus-Valera arrangement to the Peruvian Congress in a secret message. When the terms of this message became known in Chile the impression was created that President Billinghurst was either not playing fair with Chile or else was trying to deceive the Peruvian Congress, and this was the real cause of the halt reported in December. During an interview last month the Minister of Foreign Affairs showed me the telegrams he had exchanged with the Chilean Consul at Callao, by which it appeared that the Consul had communicated personally with President Billinghurst on the subject of his message and the adverse effect which his interpretation might have in the future if allowed to go unchallenged by Chile. The President explained his position in respect to the Peruvian Congress and reiterated his strong desire to reach a satisfactory settlement with Chile.

Mr. Villegas seemed satisfied with the explanations given. He said that he had wished to nullify the effect of the President's secret message on the interpretation of any arrangement which might be reached and had insisted on clearing up this point before proceeding farther. He has subsequently informed me that, in his opinion, the next move should come from Peru; that the Chilean Government is unwilling to carry the negotiations further by means of telegrams, etc., which are unsatisfactory and give rise to misunderstandings; that he thinks Peru should appoint a confidential agent to come to Chile to arrange matters. President Billinghurst is, I believe, of the same opinion except that he thinks diplomatic relations should be reestablished and the negotiations carried on through regular channels; but Chile, after the failure of 1909, insists on having all points settled in advance of the formal resumption of diplomatic intercourse.

Another very important explanation of the present inactivity is found in the political situation both here and in Peru. The Conservative Party has practically passed sentence of death on the present Ministry, which must retire on June first unless the Conservatives shall have been placated meanwhile, and active negotiations are being carried on to arrive at some solution of the impending crisis. In this uncertain situation the Ministry feels too weak to proceed with the Peruvian negotiations. In Peru also the elections for Congress are being held this week and President Billinghurst's policy is an important issue.

Nothing will be done, in any event, before June first, the date of the opening of Congress here, and the confused conditions make an intelligent forecast of the probable trend of events impossible.

I have [etc.]

HENRY P. FLETCHER.

File No. 723.2515/292.

The American Minister to Chile to the Secretary of State.

No. 396.] AMERICAN LEGATION.
Santiago, September 2, 1913.

SIR. I have the honor to report that no progress has been made in the Chilean-Peruvian negotiations for the settlement of the Tacna-Arica dispute since the date of my last report, April 29th, last (No. 334).

Mr. Edwards, Chilean Minister in London, who was Minister for Foreign Affairs of Chile when the diplomatic relations of the two countries were last severed, recently arrived in Santiago. On his way he stopped a few hours in Lima and, in company with Admirals Montt and Uribe, was received by the President of Peru.

In a conversation with him a few days ago I asked him if there were any developments. He replied that he had a very friendly talk with President Billinghurst, but only along the general line of the interest of both countries in a prompt and mutually satisfactory settlement. He then said that his idea was that the Chilean Minister in Berlin or some other European capital—not London—be authorized to conclude a treaty with his Peruvian colleague, who would be similarly authorized; that if the Congresses of both coun-

tries were thus confronted with a signed treaty he thought the matter would be readily adjusted, whereas it seemed impossible to make any progress with the negotiations as at present conducted. His idea is that Chile should insist upon a plebiscite being held within two or three years or else after 99 years—either a very short or a very long time. He is convinced that if a plebiscite were to be held in the two provinces now, Chile would win. He even went so far as to say that he thought it would be possible to arrange that the inhabitants of this district should, of their own initiative, vote or petition for definite incorporation with Chile. He was evidently much impressed with what he saw and heard during his short stay in Arica.

Subsequently I had an informal conversation with Mr. Villegas, the Minister for Foreign Affairs, on the subject. He informed me that there was nothing new, but that he hoped to advance matters in the near future. He said that it was absolutely necessary to conclude the question and that if Peru would not come to terms directly and as a result of friendly overtures, Chile would try to find some other means of persuasion. He hinted that the good offices of friendly governments might be asked to counsel Peru; he especially mentioned Brazil and hinted that the United States might also be called upon. His policy since he has been Minister for Foreign Affairs has been to draw Brazil and Chile as closely together as possible, and while he has maintained most friendly relations with the Argentine it has been apparent to me that he sets greater store upon the friendship of Brazil—and of course, in speaking with me, the United States also.

Mr. Alfredo Irarrazaval, the new Chilean Minister to Brazil, is considered a more able man than his predecessor, Mr. Herboso, and his transfer from Tokio to Brazil, in my opinion, is intimately connected with the Chilean-Peruvian controversy and their desire to settle the same before the opening of the Panama Canal. He remained in Chile about a month receiving instructions and presented his credentials in Rio a few days ago, and the formal presentation discourses were more than usually cordial.

The Minister also said that after the Congress adjourned for the national holidays he hoped he could so far advance matters as to be in position to give me definite news before my departure for the United States on leave, as he was very anxious to have me explain to the President and Secretary of State Chile's position. I replied that I would be very glad to do so.

Meantime there is a multitude of counsellors but no purposes established.

I have [etc.]

HENRY P. FLETCHER.

File No. 723.2515/292.

The Secretary of State to the American Chargé d'Affaires at Santiago.

No. 166.] DEPARTMENT OF STATE,
Washington, October 1, 1913.

SIR: The Department has received Mr. Fletcher's No. 396, of the 2nd ultimo, regarding the status of the Chilean-Peruvian negotia-

tion for the settlement of the Tacna-Arica dispute. It has been read with interest.

The Department desires to be kept advised on this subject.

I am [etc.]

(For the Secretary of State.)
JOHN E. OSBORNE.

File No. 723.2515/293.

The American Ambassador to Brazil to the Secretary of State.

No. 273.] AMERICAN EMBASSY,
Rio de Janeiro, November 17, 1913.

Sir: Mr. Fletcher, our Minister to Chile, will already have reported to the Department that when he passed through Rio de Janeiro during September last, the Chilean Minister to Brazil, Sr. Irarrazaval, informed him of the substance of the conversations which he was then having with Dr. Lauro Müller about a final and complete settlement of the long-standing dispute between Chile and Peru over the status of Tacna and Arica. I was in São Paulo on the day Mr. Fletcher visited Rio de Janeiro and consequently had no opportunity of exchanging opinions with him upon this subject. But Dr. Lauro Müller has handed me copies of the memoranda which the Brazilian Foreign Office has exchanged with the Chilean Legation thereon, copies of which memoranda I have the honor herewith to enclose both in originals and translations. Furthermore Dr. Lauro Müller has asked me to tell you that he believes the moment to be a favorable one for the settlement of the only pending territorial dispute likely to disturb the peace of the American continent and that once the Tacna and Arica question has been buried the way may be opened for the settlement of territorial questions of minor importance between Peru and certain of her neighbors which have dragged on for many years. In arranging these latter disputes it may not be impossible, so he thinks, to afford some compensation to Peru for the territorial losses she would sustain from the alienation of the two provinces.

The Government of Chile does not yet appear to have apprised the Government of Argentina of these negotiations nor to intend to do so until the views of Brazil and the United States have been learned. The reason that is given for not doing so is that Chile on previous occasions has found that Argentine has proved somewhat difficult to bring into line unless she knew that other powers had already given their approval to a certain course of action. When however she has learned that they had done so she raised no objection to keeping in step with them.

I am unable to believe that the Argentine Foreign Office is ignorant that the Chilean Minister has recently initiated fresh negotiations at Rio de Janeiro for the settlement of the Tacna and Arica dispute, especially since the South American press on several occasions has published reports to that effect.

I have [etc.].

EDWIN V. MORGAN.

[Inclosure 1—Translation.]

The Legation of Chile at Rio de Janeiro to the Brazilian Foreign Office.[1]

PRO MEMORIA.

TACNA–ARICA DISPUTE BETWEEN CHILE AND PERU.

Historical antecedents.

In 1879 war broke out between Chile and the republics of Peru and Bolivia, the latter being allied by a secret treaty. Chile invaded the territories of the enemy on three different occasions: firstly to claim the province of Antofagasta, which had been formerly ceded to Bolivia conditionally; secondly to occupy the Peruvian provinces of Tarapacá and Tacna; thirdly to invade the capital of Perú, Lima, in order to impose peace.

After the second of these campaigns, i. e. before marching on the capital, Lima, several conferences took place on board the North American sloop *Lackawanna*, stationed at Arica, in 1880, between the delegates of Chile and Peru, with a view to securing peace. These conferences were held at the suggestion of the United States.

Chile then declared her intention of retaining Tacna and Arica as the guaranty of her independence. As nothing came of the said conferences, the Chilean Foreign Office, in a circular note dated November 10th, 1880, directed to the Powers, declared that "should the northern frontier of Chile be limited by the Quebrada de Camarones, the port of Arica, fortified and thereby converted into an impregnable fortress, would be a continual danger to Chile and would oblige her to fortify her frontier. In any case, peaceful relations *would be in danger of disturbance at any moment.*" If Chile, in 1880, made this declaration, it could not be supposed that she would alter or seriously modify her demands after the third campaign, which carried her troops to the capital of Peru.

The treaty of peace between Chile and Perú (Treaty of Ancón) was arranged by the Provisional Government of General Iglesias, which Government Chile was interested in supporting so that she might have someone with whom to negotiate. This Peruvian General, who was strongly opposed by public opinion in Peru, did not wish to increase his unpopularity by handing over to the victors the territories of Tacna and Arica, as demanded by Chile. It was for this reason that the Treaty of Ancón was formulated, by providing an indirect surrender of the territories after a simulated plebiscite (of which there are many examples in the history of nations). By this treaty Chile was to retain possession of Tacna and Arica for a period of ten years and only in case of the plebiscite resulting unfavorably to her would she, after that period, end her rule of those two provinces. The plebiscite however was to occur after the drawing up of a special protocol; the drafting of this protocol was postponed for an indefinite period. It was further agreed that the articles of the said protocol should be subject to the approval of Chile.

The additional protocol referring to the plebiscite has never been drafted, as Chile refused to accept any clause that did not recognize absolutely the right of her continued dominion over Tacna and Arica. The declaration of her delegates to this effect at the conferences held on board of the *Lackawanna* (these provinces being the key to her northern frontier) constitutes now an historical fact, confirmed by the Treaty of Ancon and by an uninterrupted occupation of 33 years. No country in the world would abandon, under such conditions, territory dearly bought with blood, which had further been recognised by treaty as surrendered to Chile and administered for the third part of a century, and showing important improvements, of which the Arica to La Paz railway is only one example. Should a solution to the dispute be sought, the simplest of all would be found to be the best, i. e. that the present state should be left unaltered, thereby leaving unmodified a situation which has existed for 33 years.

History of the Latest Negotiations Between Chile and Peru.

On many occasions Chile and Peru have sought for a satisfactory solution of their dispute but always without success. The most recent negotiations took

[1] Not dated.

place in November last; the following points were agreed upon, subject to the approval of the two Congresses:

a) Chile and Peru agree that it would be desirable to renew diplomatic relations after long interruption.

b) They also agreed that a plebiscite should take place within 21 years, i. e. up to 1933.

c) That an agreement should be arrived at regarding those who should have a right to vote at the plebiscite and also that a tribunal should be immediately constituted to organize the plebiscite. This tribunal or committee should consist of five members, two of which should be appointed by Peru, two by Chile and a third by the President of the Supreme Court of Chile. This committee should, by simple majority of votes, transact its business, and its ruling should not be subject to any further appeal.

d) Chile would pay to Peru, immediately, through a sinking fund, the sum of £500,000.

These negotiations, which were opposed both in Peru and Chile, gave rise to a secret note from President Billinghurst to the Peruvian Congress. This document contained statements which the Chilean Government considered contrary to the policy it has upheld throughout this dispute: That the territories of Tacna and Arica should definitely and by means of a plebiscite be surrendered to Chile. The fact that official cognizance of this secret note was taken by the Peruvian Government caused the negotiations to be broken off. Chile afterwards demanded, as conditional to their continuation, the official withdrawal of the note. The Government of Peru promised to do this. Several circumstances however continued to delay the negotiations: they will be resumed shortly in Chile between a confidential agent of Peru and the Chilean Foreign Office.

The Object of the Negotiations.

(a) The negotiations will reestablish relations interrupted for many years between the two nations; they will also do away with the permanent source of unrest and ill feeling that has made it necessary for the two countries to maintain constant military preparations, which in turn have produced in the other republics of America a like effect and have interfered with the investment of capital in Perú, Bolivia and Chile, etc.

(b) The negotiations provide for a period of 21 years for the organization of the plebiscite. This clause has not found favor in Chile. The Government of Chile has indicated that this would mean that for a period of 21 years (or practically a quarter of a century) the actual state of unrest and ill feeling would continue to exist. Peru has at present no right to demand the evacuation of these territories by Chile; this delay of 21 years, however, would give her fair hopes of possibly regaining the two provinces at the expiration of that period. Besides, the railway from Arica to La Paz has furnished Bolivia with an outlet to the Pacific and in 21 years time that country would also become interested in the possession of these territories; this fact has been recognized by the present President of Bolivia, General Montes.

In order that the bases of the negotiations shall constitute effectively an act of approximation and a guaranty of the peace of America, it would be necessary to either refer the question *immediately* to the two countries by means of a plebiscite or to consult the countries over a period of 90 to 100 years.

(c) It would now be easier than ever to carry out an immediate plebiscite, as the Governments of Chile and Peru have agreed upon the base of the electoral committee that shall supervise the plebiscite, the said committee to decide by a simple majority of votes, without appeal.

(d) The sum of £500,000 offered by Chile, as an extra payment, is almost double the indemnization agreed upon by the Treaty of Ancon as a recompense to the nation that should lose the election. Chile has always declared that she would be ready to increase the amount of that indemnization.

[Inclosure 2—Translation.]

The Legation of Chile at Rio de Janeiro to the Brazilian Foreign Office.[1]

MEMORANDUM ON THE TACNA-ARICA DISPUTE BETWEEN CHILE AND PERU.

Firstly. That the friendly suggestion is made without in any way affecting the absolutely neutral attitude which the United States has always observed

[1] Not dated.

and proposes to continue to observe in the Pacific regarding pending questions between Peru and Chile, which questions, in the opinion of the said United States, the interested nations are alone competent to settle—

Secondly. That in the higher interests of the peace of America, the desire has been expressed that a dispute which keeps alive a state of unrest on this continent shall be brought to a satisfactory settlement; and, further, that in order to avoid the postponement of such a settlement for another 80 or 90 years, a referendum shall take place immediately.

Thirdly. That the only serious obstacle to the above referendum would have been the organization of an electoral committee in view of the fact that the Treaty of Ancon provided that no plebiscite should take place until the two countries should be in entire accord regarding the new protocol which should regulate the election. It appears now however that this obstacle may be considered removed since Peru and Chile appear to have come to an agreement that the said electoral committee shall consist of five members, viz: of two Chileans, two Peruvians, and the President of the Supreme Court of Chile, who shall preside.

Fourthly. That this suggestion of the United States, interpreting a noble American idea, shall be communicated to Peru.

Fifthly. That the answer to the Government of the United States shall be transmitted in a note from the Chilean Minister at Washington, in which the said representative shall communicate to the American Chancellery the stage of the negotiations with Peru, which were begun in November last. This information shall be communicated to the American Government as soon as the attitude of Peru is known.

[Inclosure 3—Translation.]

The Brazilian Minister for Foreign Affairs to the Chilean Minister at Rio de Janeiro.[1]

MR. MINISTER: I have read with careful attention the confidential note of September 1st in which your excellency, in relating the history of the latest incidents, describes the actual state of the disagreement that exists between Chile and Peru with reference to Tacna and Arica, the continuance of which disagreement has always seemed to us undesirable and antagonistic to the peace both of these two friendly republics and of the continent.

The Chilean Government is certainly aware of the great interest with which Brazil, always desirous of seeing a friendly settlement, has from the first followed the various phases of this old question. It was therefore a source of lively satisfaction to her to learn that negotiations were well on their way towards a solution of the deplorable situation that exists between the two republics of the American continent.

Our satisfaction has been notably increased by the news that one of the principal, if not the principal, cause of the old disagreement—the organization of an electoral committee which shall put through the plebiscite for which the Treaty of Ancon made provision—may be considered as removed, since the two countries appear to have come to an agreement regarding the manner in which the said commission shall be constituted.

Under the influence of this agreeable impression, the Brazilian Government, without in any way pretending to interfere in the private affairs of the two interested nations, thereby recognizing that those two nations alone are competent to settle their disagreement, and animated by the good will shown by the Governments of Chile and Peru, wishes to express its sincere desire that the two republics shall not further delay the solution of the Tacna and Arica question, but that on the contrary they shall settle it promptly and definitely in their own interest and in the interest of the peace and fraternal harmony of America.

I have [etc.].

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[1] Not dated nor signed.

SLAVERY IN PERU; JOINT INVESTIGATION BY THE GOVERNMENTS OF THE UNITED STATES AND GREAT BRITAIN.

File No. 823.5048/68.

House Resolution.

62d Congress; 2d Session.] [House Document No. 619.

CONGRESS OF THE UNITED STATES.

IN THE HOUSE OF REPRESENTATIVES.

August 1, 1912.

Resolved, That the Secretary of State be directed, if not incompatible with the public interest, to transmit to the House of Representatives all information in the possession of his Department concerning the alleged existence of slavery in Peru, and especially all information tending to show the truth or falsity of the following statement made in an editorial in the London Times of July fifteenth, nineteen hundred and twelve: "The bluebook shows that in an immense territory which Peru professes to govern the worst evils of the plantation slavery which our forefathers labored to suppress are at this moment equaled or surpassed. They are so horrible that they might seem incredible were their existence supported by less trustworthy evidence."

Attest: SOUTH TRIMBLE,
Clerk.

62d Congress; 3d Session.] [House Document No. 1366.

Message from the President of the United States transmitting Report of the Secretary of State, with accompanying papers, concerning the alleged existence of slavery in Peru.

Read February 7, 1913, referred to the Committee on Foreign Affairs, and ordered to be printed.

LETTER OF TRANSMITTAL.

To the House of Representatives:

I transmit a report of the Secretary of State, with accompanying papers, in response to the resolution adopted by the House of Representatives on August 1, 1912, calling upon the Secretary of State, "if not incompatible with the public interest," for "all information in the possession of his Department concerning the alleged existence of slavery in Peru, and especially all information tending to show the truth or falsity of the following statement made in an editorial in the London Times of July fifteenth, nineteen hundred and twelve: 'The bluebook shows that in an immense territory which Peru professes to govern the worst evils of the plantation slavery which our forefathers labored to suppress are at this moment equaled or surpassed. They are so horrible that they might seem incredible were their existence supported by less trustworthy evidence.'"

WM. H. TAFT.

THE WHITE HOUSE,
Washington, D. C., February 7, 1913.

File No. 823.5048/128a.

LETTER OF SUBMITTAL.

To the PRESIDENT:

The undersigned, Secretary of State, to whom was addressed the following resolution of the House of Representatives:

[Text of the above-printed resolution.]

has the honor to submit correspondence on file in the Department of State containing information sought by the resolution, with a view to its communication to the House of Representatives if in the judgment of the President it be not deemed incompatible with the public interest so to do.

The circumstances under which the Governments of Great Britain and the United States, responding to the public sentiment which had been aroused in both countries by reports of the cruel treatment of the indigenes in the rubber-gathering districts of the tributaries of the upper Amazon, had taken concurrent steps to ascertain the actual conditions in that region are set forth in the initial paper of the subjoined correspondence, being an instruction given on the 6th of April, 1912, to Mr. Stuart J. Fuller, who had been a short time before assigned to the reopened consulate at Iquitos, in Peru, in order that an impartial agent of the United States might cooperate in obtaining first-hand information regarding the asserted brutal extermination of the native inhabitants of the important outlying district of the Putumayo, over which Peru claims jurisdiction and in which Peru exercises administrative control under a modus vivendi entered into with Colombia, whose claims to the sovereignty of a large extent of the territory conflict with those of Peru, and, in part, with rival claims advanced by Ecuador.

In taking this step the Government of the United States was mindful of the sensibilities of the Government of Peru, and, in the light of the measures then being considered by that Government to put an end to the barbarous practices reported to exist, it was believed that an impartial ascertainment of conditions in the Peruvian part of the Putumayo district could not fail to strengthen the hand of the Government of Peru in dealing with a problem of such magnitude and gravity. The entire friendliness of this Government and its sincere desire to aid Peru in acquiring knowledge of the facts and in applying the needful remedy for the existing evils have been consistently impressed upon and, it is believed, are well understood by that Government.

In pursuance of that instruction Mr. Fuller visited the Putumayo region during August and September of the past summer, in company with Mr. George Babington Michell, the British Consul at Iquitos. Mr. Fuller's report, dated October 28, 1912, gives a full narrative of the extended journey as undertaken and sets forth his views of the labor conditions in the rubber-gathering region, with suggestions as to the treatment of the evils which have existed and to a great extent are believed still to exist therein. Mr. Fuller's report was received in December last.

The circumstances under which the journey was made, the inaccessibility of the native country, and the difficulty of obtaining trustworthy information at first hand from the Indians themselves handicapped Mr. Fuller and his British colleagues in their onerous task.

That the natives of the region have been inhumanly treated by the mercenaries of the rubber-gathering concerns and been reduced to a state of peonage indistinguishable from slavery is undenied and unquestionable; that the horrible conditions laid bare by the testimony of observers in the past still exist in all their enormity in the districts visited by the inquirers is not fully substantiated by the scanty evidence they were able to collect, but enough is known to show that whatever amelioration of labor conditions has been effected falls short of the demands of common humanity, and that the efforts of the Peruvian Government to work a remedial change and clear itself before the bar of the world's opinion have been for the most part painfully inadequate and unhappily misdirected to a degree making the results unresponsive to the unquestionable desire of the administration at Lima that its control of the vast and almost trackless regions of the Putumayo, embracing some 12,000 square miles of territory, shall be just and humane. The more energetic action of the present administration in Peru in sending a prefect of recognized ability and integrity to Iquitos and in pushing the prosecution of Messrs. Arana and Vega is considered significant as indicating the attitude that will be henceforth assumed by the Peruvian Government.

Supplementing the report and cognate dispatches of Mr. Fuller, the undersigned submits other papers found in the Department of State bearing on the subject of the resolution, including the British Blue Book, entitled "Correspondence respecting the treatment of British colonial subjects and native Indians employed in the collection of rubber in the Putumayo district," which was laid before the Parliament in July last. A knowledge of the contents of this publication appears to be needful, inasmuch as the inquiry of the House of Representatives is based on a journalistic recital of its import.

Among the interesting papers herewith subjoined are two reports made in November and December, 1907, by Charles C. Eberhardt, then the American Consul at Iquitos. The first of these, dated November 30, 1907, is a carefully prepared paper on the condition and characteristics of the native Indians of Peru. As an ethnological study its scientific value led to its publication by the Smithsonian Institution, in volume 52 of the Miscellaneous Collections. Incidental to that investigation, and in view of the assertions in American journals that American companies were exploiting the rubber production in the upper Putumayo district under concession from the Government of Colombia, Mr. Eberhardt submitted, under date of December 3, 1907, a report on the general conditions in the Putumayo River district of Peru. This report, while exhibiting the condition of virtual slavery to which the native tribes were subjected, showed that the cruelties so disclosed were not the work of American citizens, nor affected American interests, and, it would seem, did not call for representations to any of the three Governments concerned in the disputed territory. Indeed, the prospect that the controversy as to the sovereignty in that quarter was about to enter on an acute stage might have made it a delicate matter for a neutral government to impute territorial responsibility to any one of them.

The undersigned has not deemed it advisable to expand this report, pendente lite, by including any correspondence in regard to the

conflicting territorial claims in the upper Putumayo district or to do more than make passing reference to this circumstance as bearing on the difficulty of practical and effective administration in that quarter.

Respectfully submitted.

P. C. KNOX.

DEPARTMENT OF STATE,
Washington, February 4, 1913.

PAPERS ACCOMPANYING THE FOREGOING LETTER OF SUBMITTAL.

File No. 823.5048/37a.

The Acting Secretary of State to the American Consul at Iquitos, Peru.

No. 1.] DEPARTMENT OF STATE,
Washington, April 6, 1912.

SIR: In arriving at the decision to reopen the American Consulate at Iquitos, Peru, the Department has had primarily in view the advisability of securing information as to the labor conditions along the affluents of the upper Amazon, and particularly the Putumayo River. Reports transmitted to the Department by Mr. Eberhardt, formerly American Consul at Iquitos, during 1907 and 1908 [1] indicated that those directing the gathering of rubber in the territory claimed by Peru to be within her jurisdiction were responsible for practices of exploitation of the native Indians which threatened the complete extinction of the primitive races. Subsequent to the receipt of the reports of Mr. Eberhardt by the Department the British Government, which was in possession of information concerning the horrible condition existing in the forests of the Putumayo within the concession of a British corporation, directed His Britannic Majesty's Consul General at Rio de Janeiro, Sir Roger Casement, to make personal examinations of the situation. Previous to this time this Government had been in consultation with the British Embassy at Washington, with a view to cooperation in representations to the Government of Peru in order that the Peruvian Government might undertake a thorough investigation of the subject and obtain such first-hand information regarding the brutal extermination of the native inhabitants of one of the important outlying Provinces of Peru as would impel it to take the remedial measures that the circumstances appeared imperatively to demand. Owing to the imminence during the early months of 1910 of an outbreak of hostilities between Equador and Peru because of conflicting claims of these countries regarding the territory of which the Putumayo region was a part, the Government of the United States at that time deemed it wise to postpone communication with the Government of Peru on the matter until the outstanding dispute, which it was then hoped was approaching settlement, had been terminated. It was felt that, the international situation having become tranquilized and the ques-

[1] Inclosures 1 and 2.

tion regarding the title over the upper Amazon region decided, such representations as the Government of the United States might determine to make in the matter would more certainly produce the results which it was desired to bring about.

During the early part of 1911 the Department was informed, through the British Embassy at Washington, that as a result of the efforts of the British Minister at Lima, acting under instructions from his Government, the Peruvian Government had appointed a commission to proceed to the Putumayo region and report on conditions there found to exist. The Department, to which the cause of the defenseless natives of the Putumayo had so strongly appealed for humanitarian reasons, had received information from time to time of the views of the British Government in the matter and in regard to the steps which the British Minister at Lima had been instructed to take. During the months of April and May of the past year the British Ambassador at Washington transmitted, for the confidential information of the Department, copies of three reports of His Britannic Majesty's Consul General at Rio de Janeiro, which presented the horrible details collected by personal observation of the methods employed in the collection of rubber by the employees of the rubber company in the Putumayo district. These reports relate the appalling brutalities and atrocities from which the native rubber gatherers of the forest of the Putumayo were suffering. Copies of these pamphlets and other reports of more recent dates are attached for your information and for the files of the Consulate.[1]

On the 17th of July last the American Minister at Lima was instructed to express to the Peruvian Foreign Office, at a favorable opportunity, the pleasure that was felt by this Government upon learning of the steps initiated by Peru, inspired by the high ideals of serving humanity, to put an effective end to the excesses in the Peruvian rubber forests of the Amazon Valley by dispatching a judicial investigating commission to the Putumayo. The Minister was also directed to express the hope that adequate and vigorous measures would follow to put an end to the reported barbarous system in vogue, which threatened to accomplish the complete extinction of a defenseless people. It was at this time pointed out that Peru would undoubtedly understand the friendly spirit prompting a mention of this matter by the Government of the United States and would realize that there was no disposition or intention present to offend by referring to a matter concerning the internal affairs of Peru.

It has subsequently developed from information before the British Government, that the action taken by the Peruvian Government in organizing this commission has almost entirely failed of its object. The corrupt influence of those responsible for the conditions in the Putumayo has been seemingly so powerful as to defeat the laudable ends of the Central Government. As a result a few of the underlings have been arrested while no serious effort has been made to appre-

[1] These reports and related correspondence (not printed here) were gathered into a folio volume of 163 pages, which is referred to hereafter as the "British Bluebook"; it was presented to the two Houses of Parliament in July, 1912; the reports are signed by Sir Roger Casement, British Consul General at Rio de Janeiro. This Bluebook is reprinted in Document 1366 (from which the most of the correspondence here given is extracted—see heading of first paper) at pp. 215–443.

hend or punish the leaders. It is alleged that the local administrative and judicial authorities residing at Iquitos have afforded such improper protection to those guilty of the atrocities systematically practiced upon the natives as to make it impossible to bring the criminals to justice without a thorough carrying out of drastic administrative local reforms. Unless the Central Government of Peru takes a vigorous and earnest stand it is to be apprehended that the practices which, it is understood, have been temporarily suspended as a consequence of the measures already taken by the Government, may be resumed in all their former intensity until the native tribes will have become completely exterminated.

The Department has been in recent close communication with the British Foreign Office, following several personal conferences with Sir Roger Casement at the Department. It appeared that the British Government was seriously contemplating the publication of the evidence on the Putumayo in its possession in the belief that such publicity might provide an effective remedy to the shocking situation. However, at the suggestion of this Government, the publication of the reports was withheld pending further representations to the Government of Peru on the subject. The Department therefore informed the American Minister at Lima of the apparently well-founded rumor that no really serious efforts are being made to prosecute those responsible for the atrocities in the Putumayo, and to instruct the Legation to cooperate with the British Legation in taking the matter up again unofficially and informally with the Peruvian Minister for Foreign Affairs. In these representations the American Minister was directed to advise the Government of Peru that it was understood that the official reports on the situation in the Putumayo probably could not be withheld much longer from publication, the details of which inevitably would be exploited in all parts of the world by the press. The American Minister was directed to say that unless drastic and effective action demanded by the circumstances was taken by Peru previous to the publication of this evidence, which appeared imminent, such an exposure of the situation as almost surely must follow might induce public opinion of the world to believe that Peru had shown herself unable effectively to exercise sovereign rights over a region to which Peru lays claim and the ultimate rights to [sic] which Peru desires to submit for determination to arbitration.

The British and American representatives at Lima had a conference during the early days of February with the Peruvian President and Minister of Foreign Affairs. The Peruvian Government stated that it was endeavoring by all means within its power to bring to justice those charged with the crimes in the Putumayo, and welcomed suggestions as to a system of reforms which would guarantee adequate protection to the Indians within its jurisdiction. The difficulties of the problem presented to the central administration were emphasized—the unsatisfactory communication between Lima and Iquitos; the difficulty of finding men worthy of being intrusted with administrative functions in that outlying region; the barrier presented by the topographical character of the wild region of the upper Amazon; and the almost absolute impossibility of counteracting the influence of those identified with the continuation of the present iniquitous system.

Under the circumstances at present existing and after careful consideration of the reports which were received from the American Legation at Lima and the information transmitted by the British representative, kindly furnished through the British Embassy here, the Department has informed Ambassador Bryce that it deferred to the judgment of the British Government in fixing the time for the publication of the Casement reports. The Embassy at the same time was informed that the Department could not but believe that the Peruvian Government should properly regard any publicity given to the matter as in accord with the purposes so frequently enunciated by the Peruvian Government of doing everything within its power to put an end to the inhuman treatment of the Indian populations. Further, it was felt by the Department that the publication was strongly recommended in view of the efforts that are being made to procure funds by public subscription making it possible to establish in the Putumayo region missions for work among the Indians. The British Government now states that it will proceed with the immediate publication of the reports in its possession regarding the situation on the Putumayo.

You will make yourself thoroughly conversant with the local situation upon arriving at your post and keep the Department fully and promptly informed regarding this subject, in which the Department is taking the keenest interest.

You will, upon consultation and cooperation with the British Consul at Iquitos, make arrangements to visit, at intervals which may in your judgment appear advisable, the rubber stations along the Putumayo region in order that the Department may have before it your views based upon personal observation. For this purpose a special allowance of not to exceed $500 is hereby granted you.

I am [etc.]

HUNTINGTON WILSON.

[Inclosure 1—Extract.[1]]

The American Consul at Iquitos to the Secretary of State.

AMERICAN CONSULATE,
Iquitos, November 30, 1907.

SIR: The difficulty I experienced after receiving my appointment to this post in obtaining reliable information relative to conditions in general in this region leads me to believe that the results of certain studies I have made regarding the Indians of Peru may be of some practical value and interest to others, as well as to the Department, more particularly as the most of these tribes live across the Andes, or in that part of Peru which would seem naturally to form the territory of which this consular district is comprised. An extra copy is also sent, with the idea that there may be some item of interest to the National Museum. I had hoped to make a more thorough study of this interesting subject from actual observation among the different tribes, securing specimens of their weapons of warfare, clothing, utensils, etc., but ill health has prevented any systematic work along such lines. I have been fortunate, however, in being able to make several trips among different tribes with Mr. George M. von Hassel, thus gaining first-hand a limited amount of information

[1] This paper is printed at pp. 99–110 of Document 1366, and is also published in Vol. 52, Smithsonian Miscellaneous Collections, October 28, 1908; the portions here omitted are descriptions of the various tribes of Indians in the regions concerned, and of various preparations made by the Consul for his investigations.

on the subject, but the greater part comes from Mr. von Hassel himself, who, it seems to me, is probably the best authority on the subject and better qualified than any other person to give reliable data, and talk knowingly regarding the matter. * * *

The average Peruvian would no doubt show resentment at the statement that slavery exists in Peru, yet such is in reality the case with most of the Indians who come in contact with the whites. For the most part, however, they are not treated harshly, and in their submissive way, with enough to eat and drink, seem to be contented and probably as well as when roaming the woods. Their existence might be termed a system of peonage. The Indian enters the employ of some rubber gatherer, often willingly, though not infrequently by force, and immediately becomes indebted to him for food, etc. According to Peruvian law, a person so indebted to another can be held and obliged to work till that debt is paid, and in these instances the employer sees to it that the employee never receives sufficient wages to pay off his indebtedness, and he is therefore always practically a slave. A person can, by paying off this indebtedness, secure the servant, who in this way becomes similarly the slave of the payer of the debt. However, the scarcity of labor and the ease with which the Indians can usually escape and live on the natural products of the forest oblige the owners to treat them with some consideration. The Indians realize this and their work is not at all satisfactory, judging from our standards. This was particularly noticeable during a recent visit I made to a mill where "cachassa" or aguardiente is extracted from cane. The men seemed to work when and how they chose, requiring a liberal amount of the liquor each day (of which they are particularly fond), and if this is not forthcoming or they are treated harshly in any way they run to the forests.

The employer has the law on his side, and if he can find the runaway he is at liberty to bring him back; but the time lost and the almost useless task of trying to track the Indian through the dense forests and small streams makes it far the more practical that the servant be treated with consideration in the first place. It is not uncommon for launches returning from trips up the river to bring Indians who have been taken from their tribes and sell or present them to households in Iquitos, where they are kept as servants. They are usually quick to learn what is expected of them and may often be said to be better off than in their former state. During a recent trip which I made an Indian woman and child, who had been sold for $80, was brought aboard the launch and the woman seemed less concerned about leaving her people, her new surroundings or probable fate than an intelligent dog might have done. On another trip a little girl of about 8 years was brought aboard by her father and sold for a small amount of silver and a half dozen cans of sardines.

Through intermarriage with the whites, disease, and battle, the Indians of Peru are rapidly disappearing, and I am told that statistics compiled for a given period during recent years show that their numbers are diminishing at the rate of 5 per cent per year; that in 20 years the wild Indian of the Upper Amazon will have disappeared almost entirely, and it seems only a question of time when the dying races of South American Indians must meet the fate of their brothers of North America, and the two in common, once the rulers of two continents, become only scattered remnants of their former greatness, if not entirely engulfed by the wave which seems sweeping over them.

I have [etc.]

CHARLES C. EBERHARDT.

[Inclosure 2—Extract.[1]]

The American Consul at Iquitos to the Secretary of State.

AMERICAN CONSULATE,
Iquitos, December 3, 1907.

SIR: In view of certain articles which have appeared in different periodicals at home at different times during the past few months (India Rubber World, of May, September, and October, and New York Times of September 6 and

[1] Printed at pp. 111–117 of Document 1366; published also in Vol. 52, Smithsonian Miscellaneous Collections, October 28, 1908.

19) regarding the exploitation by an American company, under concession from the Colombian Government, of a large tract of rubber lands in the Upper Putomayo (or Ica) and Yapura (or Caqueta) Rivers district, a territory which is now in dispute between that Government and Peru, the results of a trip of inspection which I recently made to that part of the district at present controlled by the company which has a complete monopoly of all Putomayo rubber shipments through Iquitos may be interesting. Out of an absence of eight weeks from Iquitos, six weeks were spent in the Putomayo River and its two branches, the Igaraparana and Caraparana (sometimes written Carapanama), where the two principal posts of the local company of J. C. Arana y Hermanos are located, and while it is by no means presumed that a thorough knowledge of existing local conditions could be gained in so short a time, it is presumed that one could gain a knowledge of many phases of those conditions—such as the manner of extracting rubber, the class of work, conditions of the Indians, health conditions, feeling between the Peruvians and Colombians of the district—which a promoting company would probably not make public, and which the Department, at least, might be interested in knowing. * * *

The business is conducted from Iquitos, where a considerable office force is employed, though a resident manager is stationed at both posts, each of whom has complete charge of a given territory and to whom the foreman of certain specified tracts of territory, or sections as they are called, must report. These foremen, together with their assistants, all of whom are armed, number approximately 200, and they have control, by "rule of the rifle," over approximately 10,000 Indians—men, women, and children, principally of the Huitoto, Bora, Ocaino, and Andoque Tribes. * * *

These foremen work on a commission, and while their contracts are not all alike, the men are all making a great deal of money, at the same time spending it most freely and gambling much of it away during their three visits a year to the post, when they come from the forests with their hundreds of Indians laden with rubber, the results of some three months' work. * * *

When the Indians flee to the forests, expeditions headed by armed whites and made up of Indians of neighboring tribes toward whom the runaways have always been hostile go in pursuit, and so, hunted by the whites and surrounded on all sides by hostiles of their own race, they are eventually killed or brought back captives to work as slaves of the whites, though of course some do escape. The word "slavery" is used advisedly, for the condition of the Indians is in reality nothing else. * * *

In the vicinity of Chorrera considerable land has been cleared and it is an interesting, yet withal a sad sight, to see these Indians—once the owners of this vast region—men, women, and children alike, now slaves, filing along in the distance over this clearing, heavily laden with rubber from their native forests, which they lay at the feet of their conquerors. As has been said before, these overseers are in reality armed guards who compel the Indians to work, and who are usually illiterate whites, receiving the equivalent of from $25 to $50, United States currency, and board per month, and capable of most any brutal deed. About two years ago a number of negroes were brought from Barbados for these positions, but they soon sickened of the brutalities they were obliged by their superiors to inflict upon the poor Indians, and practically all have worked their way back to Iquitos or Barbados. They have frightful stories to tell and have no hesitancy in telling all they have been through.

As before mentioned, the foremen receive a percentage on the product delivered at the post, and naturally drive the Indians as hard as possible, which has been responsible for much of the ill treatment of the Indians. One negro told me that he had been compelled, under penalty of receiving the same punishment himself if he did not carry out the orders of his superior, to punish Indians by all sorts of cruelties; in fact, he showed me a scar which he said he had received when he first began work for having interfered with the foreman, who was beating and kicking an Indian woman. He told me, further, that he had seen a foreman shoot an Indian through the foot for not having brought a satisfactory amount of rubber from the forest, and he was told to return to the forest, wounded as he was, and bring more, or he would be killed. Women and children are also obliged to work, and the same negro told of a woman whose baby seemed to interfere with her bringing in a sufficient amount of rubber, and the baby was therefore killed by dashing its brains out against a tree and the woman told to go to work again or she would be similarly treated. A man of standing here in Iquitos says he saw a woman, pregnant,

disemboweled with a stroke of a sharp machete. Such stories, almost without number, could be cited, and I have no doubt they could be proven, for it is common rumor here that such conditions do exist there, and from what I myself saw I am convinced of it. For example, a negro from French Guiana brutally beat and bruised an old Indian in my presence till I went beyond my right and interfered. Another employee, a Spanish clerk in the storehouse, knocked down his little servant (they all have boy slaves to wait on them), broke a rib and two teeth with brutal kicks, and I also saw poor Indians, mere skeletons, in chains, living on fariña (dried yucca meal) and water, thus detained as examples to others because they had tried to run away and be free again in their own native forests. The foremen themselves at first talked very freely with me about the severe and even brutal measures which they considered necessary to adopt to keep the Indians under control, but later, evidently having been instructed by the manager, they tried to persuade me that such talk had all been an exaggeration. Of course as consul of another Government, I had no comment to make, nor as a plain American citizen could I have had anything to say on the subject. The Peruvians are seeking to get the benefit of the Indian's labor before he disappears entirely, and to that end do not hesitate to perform the most outrageous acts of cruelty.

It at first seems incredible that so many Indians can be kept under control by so few armed men, and there seems little doubt that they could successfully resist for years to come the invasion of the white man, poorly armed as they are in comparison, if they had any sort of organization or union, but the different tribes and subtribes, enemies for centuries, will not lay aside their jealousies and differences to unite and fight against their common enemy. Thus it is that, as often happens, when numbers of them run away, expeditions made up of Indians of another tribe who have been lifetime enemies of the fugitives are sent after them and, in the end, the runaways are usually recaptured. Not infrequently the leader of a certain group, or captain, as he is called, will even hunt down his own people who may have tried to escape, in this manner further ingratiating himself in favor with the whites and receiving more than ordinary consideration and good treatment from them for his traitorous action toward his own kind. Naturally the poor chances the Indians have with their inferior arms (lances, spears, etc.) of any successful resistance and the rough treatment they have received from the whites have cowed their spirit to a certain extent. * * *

I have [etc.]

CHARLES C. EBERHARDT.

File No. 823.5048/51.

The American Consul at Iquitos to the Secretary of State.

AMERICAN CONSULATE,
No. 3.] *Iquitos, May 31, 1912.*

SIR: I have the honor to acknowledge the receipt of the Department's confidential instruction No. 1 of April 6, 1912, and inclosures, relative to the situation in the rubber districts along the Putumayo River. The instruction has been carefully studied, and every effort will be made to keep the Department promptly and fully advised of developments.

Immediately on arriving I called on the British Consul, Mr. G. B. Michell, who told me that he had already been informed by his Government of my transfer to this post. He stated that he had already collected some data on the subject and had had several conferences with the prefect, Señor Francisco Alayza Paz-Soldan, regarding the situation.

Mr. Michell left the day after my arrival for an 18-day trip up one of the other rivers, but we arranged for further conferences on his return. In the meantime, he has courteously placed some of his information at my disposal.

We shall try to make some arrangement to go up the Putumayo on a launch other than those belonging to the parties responsible for the atrocities, and it is altogether probable that we may be able to go up together in the latter part of July or August. In the meantime, I shall collect what information I can here and will report to the Department by the next mail.

In this connection, it is interesting to note that the present prefect leaves Monday, June 3, for what is stated to be a 3-months' trip to Europe; but that there seems to be some doubt locally as to his return. As the Department is aware, this gentleman has been regarded as favoring measures that would put a stop to the practices that have occasioned so much serious criticism.

I regret my inability to furnish more information at present. It is very hard to get anything done here, and I have been obliged to live on the steamer that brought me until I finally managed to put up temporarily in one large room, without any furniture at all, in an unfinished building. There is absolutely no accommodation for travelers in Iquitos, and the cost of everything is so exorbitant that no one maintains an establishment of a size that would enable them to put up a guest even for a few days. Thus, most of my time since arriving has been taken up in making provision so that I should at least have a place to sleep.

Owing to his imminent departure, the prefect is so busy that it is very difficult to secure interviews with him, and the moment did not seem opportune to inquire what is being done along the Putumayo. Besides I had the question of temporary recognition to settle first, and, as stated in another dispatch, this is not yet satisfactorily concluded.

I have [etc.] STUART J. FULLER,

File No. 823.5048/51.

The Secretary of State to the American Consul at Iquitos.

[Telegram—Paraphrase.]

DEPARTMENT OF STATE,
Washington, July 29, 1912.

The Department acknowledges the receipt of Mr. Fuller's dispatch No. 3 of May 31, 1912, and instructs him to use care to pay for everything and to accept no favors should he find that he can go on no launch other than the company's.

KNOX.

File No. 823.5048/64.

The American Consul at Iquitos to the Secretary of State.

[Extract.]

No. 13.] AMERICAN CONSULATE,
Iquitos, July 1, 1912.

SIR: Supplementing my dispatch No. 3 of the 31st ultimo, I have the honor to report that the Putumayo question proves on exami-

nation to be considerably more complicated than would on first sight appear. There are a number of factors that must be taken into account in addition to the conditions in the Putumayo region itself.

Real lasting reform can only be accomplished with the aid and support of the inhabitants of the Department of Loreto, and to what extent public opinion here would back up active and actual reform is problematical. Both the influence of those controlling the Putumayo and the general labor situation in this part of Peru enter into the question.

In the first place, those in control of the Putumayo concession are among the wealthiest and most influential men in this part of Peru, and in fact in the whole country. Their influence in Lima is great, and locally they could bring pressure to bear on many people who might otherwise strongly support a movement to protect the Indians and improve their condition. An indication of the state of local public opinion in regard to these men is to be found in the Iquitos attitude toward Pablo Zumeta, the moving spirit in the Peruvian-Amazon Co., who is still under indictment and for whose arrest a warrant was at one time issued. He is in enjoyment of most of the local honors, vice alcalde (vice mayor of the municipality), vice president and acting head of the chamber of commerce (an influential organization), president of the benevolent society, etc., to all of which he was elected subsequent to his exposure. He is well respected in the town and stands high, the charges under the shadow of which he rests being entirely disregarded.

In the second place, for a full comprehension of the existing situation it is necessary to examine into the general labor situation throughout this part of Peru. An important factor in this phase of the situation is found in the ancient, deep-rooted, and almost universal attitude of the Peruvians, who, while they may not approve of cruel and inhuman treatment, generally regard the Indians as placed here by Providence for the use and benefit of the white man and as having no rights that the white man need respect.

This attitude of the people has found concrete expression in the universal system of peonage, an old institution, well established, recognized by law, and which has come to be the basis on which the rubber business (the sole industry of trans-Andean Peru) almost entirely rests. The system of advancing supplies, necessities and luxuries, to peons and rubber gatherers is universal in this part of Peru and has led to the establishment of what is virtually a slave trade. The trades encourage the "patrons" operating rubber sections to continually enlarge their sphere of operations, so that they will have more rubber to sell and can buy more imported goods. Labor being comparatively scarce and expensive throughout the district, it is to the patron's interest to get those working for him hopelessly into his debt, which means that he can retain their services as peons until they pay this off. It is difficult to maintain that this system of servitude is not recognized, since it is universal and, while never discouraged by the authorities, is certainly in many cases upheld. * * *

It simply means that the native who is unable to pay for the advance he has been encouraged to take is seized by the patron who designedly advanced him more than he could pay for, and is compelled to work off the debt. As he must be lodged and fed in the

meanwhile, the cost of this is added to his old debt, and, by further advances, care is taken to keep the debt at a point where it can never be overtaken. As these claims are transferable, the person of the debtor being also transferred to the new creditor, the Indians and their families are really bought and sold, passing from hand to hand under a system that bears a striking resemblance to actual slavery. * * *

There is a lurking fear in the minds of many business men here that too real and serious investigation of the conditions in the Putumayo district may lead to an exposure of the peonage system in general here and bring about an outcry abroad that may break it up, totally disrupting the labor situation and existing credit system, with heavy resultant losses, to say nothing of an increase in labor costs that they fear will constitute a death blow to the rubber industry of Peru for many a year to come. The cost of labor in this consular district is now so high that, in view of the necessarily expensive freights to Europe, it is hard for Peruvian rubber to compete except in times of high market price abroad. There is a decided local demand for readjustment of the import duties on foodstuffs (all of which must be brought from abroad) and of the export duties on rubber, to the end that Peruvian rubber may be enabled to compete with that from other sources. Any movement tending in the least to increase labor costs would thus meet with little or no local support. Not only does this system of peonage touch closely the business of the people; it also comes into their family life, and, though this is not so important a factor as the servitude of the rubber workers, still it must be taken into consideration as affecting in no small degree the local attitude toward the Putumayo question. * * *

On the publication of the Casement reports, the more farsighted will likely realize that to settle the Putumayo question by punishing those responsible for past outrages and providing protection for the Indians from cruelties and inhumanities in the future would tend to divert the attention of the world at large from the institution of peonage in the southern river systems. On the other hand, I am inclined to fear that the majority will oppose any change in present methods and, though resenting interference, will rely on the storm blowing over.

As for the officials charged with the administration of the department, the prefect, Señor Alayza y Paz Soldan, left June 3 for a three months' vacation, and doubt is expressed locally as to his return. He was regarded as favoring reform in the Putumayo and punishment of those responsible for the atrocities, though, it must be admitted, he never accomplished much in this direction.

The acting prefect is Señor Estanislao Castañeda, whose real office is that of subprefect.

The acting subprefect, who has charge of police matters, is an employee of the Peruvian-Amazon Co. His name is Casanova, and he is a storekeeper for them.

The judge of the criminal court, Dr. Valcarcel, has returned after having been reinstated. He is the man who issued the warrant of arrest against Pablo Zumaeta, and is a friend of Dr. Paredes.

I have not yet taken the Putumayo question up with the acting prefect, thinking it best to employ the time for a while in picking

up what information I could outside and familiarizing myself with local conditions while allowing him ample time to get his administration fully organized and familiarize himself with the details of his office. As long as there was no probability of securing any information additional to that already furnished Mr. Michell by the titular prefect, I thought nothing would be gained by approaching the acting man, especially after the delay and hesitancy to act in regard to my recognition without instructions from Lima, and it seemed that I would likely get more extensive and reliable information by waiting a bit than by asking him what was being done, directly on my recognition.

I have now, however, requested him to give me a list of the officials in all the principal rivers charged with administrative and judicial functions. This, when received, will give an idea of the theoretical organization of the government in the Putumayo district, and I shall endeavor to secure and forward to the Department information regarding the personality and affiliations of the officials there.

The next step that I propose to take is to ask the acting prefect, in a manner and at a time as opportune as may be, (1) what has been and is being done in regard to the Putumayo cases; (2) what is now being done in that district for the further protection of the Indians, stating that, as public subscriptions are being asked for to be used in missionary work in the district in question, information as to these points is desired in the United States.

I have not yet approached the Peruvian-Amazon Co. for information, though I may eventually do so should the right opportunty present. I understand that they claim to have made a change in their administrative system and collecting methods, such that there is no longer any incentive to their white foremen to maltreat the Indians, and that they also claim to have made extensive changes for the better in their personnel. An Argentine, said to be a new employee occupying a responsible position in the Putumayo, is expected in Iquitos before long, and I hope to get some information, directly or indirectly, as may seem advisable, through him.

As the Department is doubtless aware, the general administration of justice in this consular district is far from satisfactory. In fact, it has been frequently complained of in the local press. There seems, however, to be small prospect of an improvement in the present thinly populated condition of the Department of Loreto, with its immense distances and difficult and slow communications. * * *

The prefect himself, Señor Alayza y Paz-Soldan, when asked by Consul Michell late in May, just before his departure, what had been done and was being done toward the punishment of those responsible for the atrocities in the Putumayo, stated that the delay in the trial of those now in prison was due to the appeals of the accused to the supreme court at Lima, that it took a long time for the documents in the appeals to reach Lima, and that the supreme court had been enjoying a vacation from January to March. He also stated that the Iquitos courts were greatly overworked on account of the small number of officials. He said that he had been repeatedly urged by Lima to push the matter, and had personally requested the officers of the court here to lose no time in bringing the criminals to justice, but

that, as the courts are independent of the executive, he can do no more than this. * * *

One thing is certain, that nothing of any importance will be done without energetic and continued pressure from Lima, and the expenditure of more money by the Peruvian Government for administration and judicial purposes in the Department of Loreto, which furnishes so large a part of the revenues of the Republic and for which hitherto so little has been done.

As to facilities for visiting the Putumayo, the Peruvian-Amazon Co. sends up a launch five or six times a year to take up supplies and bring back rubber. I have no doubt that passage could be arranged on the next launch they send up, and anyone who went up in this way would be allowed to see exactly what the company wished him to see and no more. It would be better too, not to be under obligations to them, and one would be in going on their boat even though he paid passage. The usual rate of passage is £1 ($4.8665) per day, and the trip would last from 8 to 10 weeks, thus costing something like $275 to $350.

The only alternative is to go up on one of the small Government launches that make the trip three or four times a year with garrison supplies. This would also take me away from Iquitos for from 7 to 10 weeks. There would be no passage money, but I should have to contribute to the officers' mess, which would come to about the same thing or possibly a little more. This would only admit of visiting Chorrera, and possibly one or two other river points, but I might be able to get some information from the trip.

Chartering a launch is out of the question, as this would cost £20 to £30 a day, or a total of $5,500 to $10,000. Traveling away from the rivers is possible only by permission of, and with assistance from, the company, and its cost is so high as to place it beyond my allowance.

As stated in my previous dispatch on this subject, I shall probably arrange to go up, in company with the British Consul, on a Government launch, in late July or August.

In accordance with the instructions of the Department, I have cooperated throughout with the British Consul, exchanging information, etc. He is an experienced and capable gentleman, who was at one time stationed in the rubber districts of the Kongo.

Trusting that the action taken so far may meet with the approval of the Department.

I have [etc.] STUART J. FULLER.

File No. 823.5048/74.

The American Consul at Iquitos to the Secretary of State.

No. 19.] AMERICAN CONSULATE,
Iquitos, Peru, July 15, 1912.

SIR: Supplementing my dispatches No. 3 of May 31, 1912, and No. 13 of July 1, 1912, I have the honor to transmit herewith a duplicate of the latter, with duplicate of its inclosure. Since writing my last dispatch, no launches have gone up to the Putumayo, but I have been able to gather locally further information that may interest the Department.

As an understanding of the organization of government in the Department of Loreto is important in looking into the present status of the Putumayo question, it may be well to give a brief outline of it here. At the head of the department is the prefect, which office is for the present, occupied—in the absence of the titular official—by an acting man, really the subprefect of the Province of Bajo Amazonas. This gentleman was spoken of in my No. 13.

The total area of the Department of Loreto is estimated at 288,500 square miles. This is more than the combined areas of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland, Virginia, West Virginia, and North Carolina, or, to go further west, more than the combined areas of Iowa, Nebraska, North and South Dakota. The department is divided into three provinces, at the head of each of which is a subprefect.

The Putumayo region is in the Province of Bajo Amazonas (the same one as Iquitos), and the acting subprefect at the present time is Señor Daniel Casanova, an employee of the Peruvian Amazon Co., the concern responsible for the atrocities.

The provinces are divided into districts, each having a governor. In each of the larger towns and villages the Government is represented by an official called a lieutenant governor. These last are very minor officials and are under the governors. There are three justices of the peace (juez de paz) in each provincial capital and one in each district. They are unpaid officials.

In addition to these functionaries, there are officers called comisarios, appointed for certain river districts, which constitute authorities independent of the subprefects and immediately under the prefect of the department.

Also, in many places in which, on account of the sparse population, it has not been practical to appoint lieutenant governors, the prefecture has stationed small detachments of troops under the command of army officers, with the title of "jefes de guarnicion." These are partly under military authority, but under the prefecture in affairs of a civil character in which they may be required to intervene.

There being no towns worthy of the name in the Putumayo region, the sole representatives of the civil power are a justice of the peace for the whole river and a comisario. The Putumayo River itself is about 1,000 miles long. There are two other important rivers, tributaries of the Putumayo, in the district—the Igaraparana and the Caraparana—which rise near the Caqueta and parallel each other southward for some 300 or 400 miles through continuous forest to junctions with the Putumayo. The mouth of the Igaraparana is some 400 miles from the point where the Putumayo joins the Amazon and that of the Caraparana, about 200 miles further still from the same junction. The area of the entire Putumayo basin (the better part of which is controlled by the Peruvian Amazon Syndicate) is estimated as high as 35,000 to 40,000 square miles, or more than the combined areas of all the New England States but Maine.

The strong arm of the law and the sole protection to the defenseless Indians in the whole of this vast region seems at present to be found in one justice of the peace, an employee of the company which has fathered such reprehensible practices in the past, and one comi-

sario, who draws, in the face of strong temptation, the munificent salary of some $1,500 a year (United States currency), about the same as a clerk gets in Iquitos, together with a handful of soldiers shut up all the time in La Chorrera and possibly El Encanto. There may be more troops, but I have been unable so far to get exact information. I believe, however, that there are not enough in any case to be a factor in the situation.

The justice of the peace for the whole Putumayo basin is a man named Manuel Torrico, an employee of the Peruvian Amazon Co. Dr. Paredes denounced the appointment of this man as a scandal, and a clear proof that the local authorities had no real intention to bring about an improvement in the state of things on the Putumayo. When Sir Roger Casement was on the river in 1910, Torrico was a subagent of the company, a subordinate at Occidente to Fidel Velarde, one of the leaders in the atrocities (and one of the first to "escape"). He has since been promoted to be a chief of section for the Peruvian Amazon Co. Sir Roger Casement said of Torrico, "From him no more than from his predecessor could any public service be expected."

The comisario is a man named Juan Garcia Buenaño. He is fairly well spoken of as a man, but stated by many to be in a position where he can do little or nothing to better things, even though he might wish to. I expect to see and talk with him when I go up to this district, and will report further on my return.

As to the administrative staff in general in the Department of Loreto, allegations of venality on the part of Government officials of all grades are frequent, open, and common here in Iquitos, and it certainly would seem as though there must be some fire to cause so much smoke. River comisarios are a special target. Their salaries are small, but they are said to return from their posts rich after a year or two in a jungle where they are supposed not to engage in trade.

Protests against illegal trading by Government transports and river comisarios in the rivers closed to trade on account of the troubles with Ecuador have been made, and I have heard it openly stated that the late prefect was interested in this illicit trade to a heavy extent.

As to the prosecution of the cases brought against those accused of crimes committed in connection with the Peruvian Amazon Co.'s enterprise in the Putumayo, despite all the reasons held forth for the failure so far to show results, it really must be admitted that they have been conducted in a most desultory manner. Since my last dispatch nothing has developed, and, in fact, up to date no judgments of any importance have been handed down. It will be recalled that the prefect (Señor Alayza y Paz-Soldan) assigned this to delays involved in appeals to the supreme court at Lima and to the fact that the local courts were provided with too few officials for their work. There is something in the first excuse, but it would certainly seem that if the Government of Peru really wished to push these cases the first thing they would have done would be to provide the necessary machinery without delay.

The return of Dr. Valcarcel, referred to in my No. 13, added nothing to the facilities of the local courts, as he merely replaced the man

who had been acting temporarily (i. e., during Valcarcel's suspension) a local lawyer. It was not until the 7th instant that any additions to the bench were made. On that date Dr. Morelli, a justice who had been on leave, returned, and two new judges, Drs. Jose Dolores Contreras and Lorenzo Guarcia, arrived from Lima.

Pablo Zumaeta, in whose case nothing further has been done, continues to stand high in the esteem of the local public. He took a prominent part in the official ceremonies of July 12 connected with the mass celebrated for those who died in the Battle of the Caqueta last year in the troubles with Colombia. He and his friends blackballed, at the Iquitos Club, the judge, Dr. Valcarcel, who had issued the warrant against Zumaeta, and that in a club where a majority is necessary to shut out a proposed member. Zumaeta may not be guilty of all that is laid at his door; he may have been accused and the warrant issued against him unjustly, but if as innocent as he claims to be, it is strange that he does not go into court and vindicate himself once for all.

El Oriente published, on July 1, dispatches from Lima regarding the appointment of two more commissions to investigate and devise plans for the future for government in the Putumayo region "and other regions similar to it." These are inclosed, together with translations. The news did not appear in any of the other daily papers and it aroused no special comment.

Julio Ego-Aguirre, appointed on the principal commission, is the senator from this department, and the deputy, Julio Abel Raygada, appointed likewise, is believed to be the Raygada who is a deputy from Loreto. Ego-Aguirre is stated to be an able lawyer. He at one time took lessons in English from Hardenberg (the man whose articles in London Truth first directed attention to the Putumayo atrocities) and is known to have spoken well of him in the past.

As to the personnel of the auxiliary commission, I have already referred (in my No. 13) to the acting prefect, who is ex officio its head. An idea of his attitude toward the question may be gained from what he said to me unguardedly in a conversation regarding the Putumayo, viz, that he had lived in Loreto 25 years and did not believe that more than six or seven serious crimes had been committed in the whole Putumayo region in all that time; that the Indians were wild, irredeemable cannibals, who could only be handled by force; and that the whole Putumayo agitation smelled to him strongly of Colombian intrigue. As to the president of the superior court I have heard widely varying opinions expressed. It is altogether possible that if given the chance he may do genuine service. The third member, Dr. Maradiegue, is a local lawyer, rather old and infirm, and more likely to prove a figurehead than one to whom you could look for service in this matter.

The auxiliary commission itself looks very much like the interposition of red tape, with the object of delay and obstructing any action of a vigorous or prompt nature. In fact, the whole commission plan to one on the ground looks suspiciously like a device to produce the appearance of doing something when really leaving things as they are. What these commissions could do in the matter of punishing the crimes of the past is hard to see. As for the future, it would be strange if the local knowledge of the senator and deputy from this

Department, added to the data given in the voluminous report already made by Dr. Paredes, were not sufficient for the drawing up of a plan to protect the Indians and furnish organized government to the district in question.

As to what the administrative branch of the local government has done and is doing in regard to Putumayo matters, this is either nothing at all or else they have proceeded without giving out any information either publicly or to the British Consul. Short of going up the river, which the lack of facilities will make impossible for some time, the only way to find out was to inquire of the prefecture. This I did, calling personally on the acting prefect and presenting the memorandum of which a copy is inclosed, with translation of the same. I thought it more likely to secure a satisfactory answer if presented in writing, and assigned in the conversation as my reason for so doing my unfamiliarity with the Spanish language. The acting prefect stated that he would look into the matter and let me hear from him. I do not expect a reply for some time, as I believe that he will undoubtedly communicate with Lima before replying. The questions in the letter were carefully drawn to avoid offering any ground for offense, and I stated verbally that I had heard that the Government was taking measures, as stated in the decree appointing the commission, but had no information as to what they were.

As to what the company is doing, I have nothing further to report by this mail, but the more one looks into the question the more it appears that the point is not so much what changes they have made and what their present treatment of the Indians is (though this is important), but what guaranty the Government is furnishing of protection to the Indians. We have already seen what the business developed in the past, and, regardless of what reforms the private corporation may have undergone, one has good reason to fear that without firm and adequate government in the territory the temptation—ever present to men of the only kind that apparently can be got to go out into these unhealthy jungles—may bring about a repetition of the atrocities. Everything may be all right now—this can only be determined by thorough inspection—but the present condition would not constitute a guaranty for the future.

News of the publication of the Casement reports has reached here since my last dispatch, and, so far as I have yet been able to ascertain, it attracted very little attention or interest in Iquitos. I do not believe that local support for measures of reform can be secured to any appreciable extent, unless the fear is aroused that the failure to provide decent and adequate government in the region under discussion may lead to loss of the territory. If this feature were to be made a point by Ecuador and Colombia in pressing their claims it might help.

Granting all the reasons for the failure to accomplish anything so far, they do not redound to the credit of Peru nor constitute any proof of determined effort to better conditions. No real effort has yet been made to make the administration of justice and the protection of the Indians in the region a reality or a possibility. The same old form of organization is maintained, although it has been

proved a complete failure and totally inadequate. It is still necessary to travel 1,200 miles from the Putumayo to Iquitos to get a hearing in a court of first instance, and there are only five or six chances a year to make the trip.

It can not be claimed that the district is unproductive of revenue and can not afford a better organization, for a glance at the tables showing the amounts of rubber produced there, and a thought of the heavy Peruvian export duty, will show what a heavy return has come to the Peruvian treasury from this source for years past and is still coming in.

Another factor in the situation worthy of consideration is the feeling, that doubtless is more or less present with the Lima authorities, that they face the possibility of serious political troubles if they try to force unpopular measures, inimical to the rubber business, the sole trade of the Department of Loreto, already poorly treated and having little in common with the rest of Peru.

The Peruvian Amazon Co.'s launch *Liberal*, I hear, is to go up the Putumayo about the 5th or 6th of August. Nothing further has been heard regarding the next trip of a Government launch to this region. It is probable that the British Consul and myself will go up in the next boat that the Government sends. We hope to secure the services of an interpreter who speaks several of the dialects spoken by the Indians in the Putumayo Basin, and shall endeavor to work out a plan for a bit of land traveling in the region, if it can be arranged at a cost within our allowances. We shall probably be away from Iquitos for from six to eight weeks.

I have, etc.,

STUART J. FULLER.

[Inclosure—Translation.]

The American Consul at Iquitos to the Acting Prefect of the Department of Loreto.

AMERICAN CONSULAR SERVICE,
Iquitos, Peru, July 10, 1912.

MR. PREFECT: In view of the fact that public subscriptions are being asked for abroad, to be used in establishing religious missions in the Putumayo region and relieving the condition of the Indians there, I have the honor to inquire:

1. What measures have been and are being taken to bring to punishment those guilty of the atrocities in the Putumayo region?

2. What measures to protect the Indians from further ill treatment have been in force since the disclosure of these atrocities?

3. Whether it is proposed to put into effect any further measures to protect the Indians during the six months or more that must elapse before the plan of administrative and judicial reform to be drawn up by the new commission can be submitted and acted upon.

Your excellency will doubtless understand that, in making these inquiries, there is no disposition to offend by referring to a matter concerning the internal affairs of Peru, but will appreciate that mention of the matter is prompted by the desire for information as to existing and past conditions on the part of those charitable members of the Church of Rome abroad who are seeking to aid these unfortunate Indians with the same high ideal of serving humanity that has actuated your Government in the steps they have inaugurated to put an end to the excesses in the Peruvian rubber forests.

I take this opportunity to repeat the assurances of my high consideration and personal esteem.

STUART J. FULLER.

File No. 823.5048/75.

The American Consul at Iquitos to the Secretary of State.

No. 20.] AMERICAN CONSULATE,
Iquitos, Peru, July 16, 1912.

SIR: I have the honor to report that this afternoon I was waited on by the secretary of the prefecture, who presented me with a photograph which is inclosed, and an unsigned memorandum, a copy of which, with translation, is inclosed as well.

This indicates to me that the prefect, having heard from Lima, and been told to give me all the information that he can, has seized on the opportunity offered by the arrival of a launch from the Putumayo bringing some prisoners (who, by a happy coincidence, are Colombians).

The case particularly mentioned in the memorandum may be taken to indicate activity on the part of the Peruvian military posts up near the border, well beyond the scene of the Peruvian Amazon Co.'s atrocities disclosed hitherto; in other words, the discovery of fresh atrocities in a new field of action.

The secretary stated that information against this gang was lodged with Lieut. Col. Castro by an Indian woman: that he sent out Capt. Alvarez and three soldiers disguised as caucheros (rubber hunters) to find and arrest them; that in revenge the woman was starved to death by Ordonez and his accomplices. The Yubineto or Jueveneto, near which this crime occurred, is an affluent of the Putumayo, joining the latter just beyond the extreme limit of the Peruvian Amazon Co.'s sphere of action. The actual scene of the crime is stated to be two days' journey from the River Yubineto.

Finding the secretary disposed to talk on the subject, I learned from him that while the headquarters of the comisario of the Putumayo are at La Chorrera, he is supposed to travel continuously throughout his district. He confirmed my understanding that there are only two officials representing the civil government in the whole region; but, according to his statement, the garrisons are more numerous than I had believed. He stated that in the whole Putumayo Basin there are 10 garrisons which were primarily stationed in the district to guard the frontier, but which have recently been instructed also to hunt out and prevent crimes against the Indians. The locations of these garrisons he stated to be as follows, adding that they were not in any way regarded as military secrets:

In the Peruvian-Amazon Co.'s sphere: Chorrera, Encanto, Union, and Puerto Militario Peruano.

On Brazilian boundary: Tarapaca.

On Colombian border: Pto. Delicias and Pto. de los Monos.

Interior but not in Peruvian-Amazon Territory: Molino and mouth Rio Jueveneto (2).

The department can locate these points if desired on the map which accompanied Sir Roger Casement's confidential report. The secretary could give me no definite idea of the number of troops represented by the garrisons listed, but stated that they are all under the command of Lieut. Col. Castro, one of the best officers of the Peruvian army and who was educated at St. Cyr in France. This gentle-

man has been well spoken of in Iquitos as an intelligent and active officer, as has also Capt. Alvarez, who made the capture.

In considering the case mentioned in the memorandum, one should not lose sight of the fact that it is entirely separate and apart from the Peruvian-Amazon Co. and the district which has hitherto been under discussion and was dealt with in the Casement reports, and constitutes evidence of maltreatment of the Indians more widespread than has hitherto been admitted. If desired, it would be comparatively easy to make these border Colombians the scapegoat for the Peruvian-Amazon criminals, and in their cases the local government would not be so much troubled by expensive appeals to the supreme court at Lima.

The great emphasis laid on the fact that the persons arrested were Colombians leads me to believe it possible that Sir Roger Casement's remarks regarding the better government given the region by Colombia may be known in Lima, particularly as the secretary plainly endeavored in the conversation to make me believe that the Colombians had never treated the Indians well and were really responsible for the outrages that had attracted so much attention. There may be, too, some idea that the United States contemplates interfering in the Colombian-Peruvian-Ecuadorian boundary question.

This information reached me only a few hours before the mail closed. The secretary stated that he was also to call on the British Consul to present a copy of the memorandum and a photograph.

I have [etc.],

STUART J. FULLER.

[Inclosure—Translation.]

Memorandum of the Prefecture.

After the fiscal (prosecuting attorney) of the Supreme Court of Justice of Peru, Dr. Salvador Cavero, denounced the crimes committed in the Putumayo region, the Peruvian Government sent out a judge of the first instance and numerous detachments of troops with the object of pursuing and capturing the criminals and preventing the commission of further crimes.

The result obtained is eminently satisfactory when one takes into account that the theater of the crimes is an impenetrable forest of many thousands of square leagues. Notwithstanding, success has been attained in capturing a good part of the assassins and it has been brought about that in the region of the Peruvian Putumayo order reigns and the law is supreme.

Unfortunately, however, on the Peruvian Putumayo live many hundreds of Colombians, some of whom have escaped from prison and others of whom have been deported by the Colombian Government, and these in the majority of cases have been the authors of dreadful crimes, committed with impunity, crimes which unfortunately have been laid at the door of the Peruvian Amazon Co., because they constitute the sole industrial enterprise at work in such distant and solitary places.

To show how the Government of Peru prosecutes crime, we cite the example of the Peruvian garrison of the Rio Yubineto, which, having received information that the Colombians, Antonino Ordonez, Sebastian Gonzales, Cornelio Josa, Carlos M. Lopez, Miguel Cucalon, Pedro Guevara, and Dionisio Pasaje, were evildoers and assassins and abductors of natives whom they sold in Brazil as they would mere bagatelles, organized a posse to capture these persons. After two days of hardship, this expedition came across a rancho in the midst of the forest where these seven individuals lived, and found them at that moment consummating one of their sinister crimes. They were watching the agonies of an Indian woman condemned to die of starvation.

From the photograph herewith, taken by this very expedition, may be seen how great the cruelty was. The seven individuals have been captured and sent to Iquitos to jail, at the disposition of the judge of criminal court. The band of evildoers was composed of eight, but one of them, Jesus Lopez, fled and could not be captured.

File No. 823.5048/80.

The American Consul at Iquitos to the Secretary of State.

No. 25.] AMERICAN CONSULATE,
Iquitos, July 31, 1912.

SIR: I have the honor to transmit herewith duplicates of my dispatches No. 19 of the 15th instant and 20 of the 16th relative to the Putumayo question.

Although I am unable to point out at present anything specific, still my impression is now that the Government is no more anxious to have us make a trip to the Putumayo or to see personally the conditions existing there than the company is, so that we should probably gain no more information from a trip on one of the Government launches than from that of the company. Finding that the future dispatch of Government launches to the Putumayo is very indefinite, and learning that the company expected to make two dispatches of their launch *Liberal*, at intervals that will enable us to do some traveling in the interior, away from the rivers, if we can figure out our allowances to cover the expense, my British colleague and myself decided to go up to Chorrera on the *Liberal* about August 5, travel to what interior points we can, and return from El Encanto. Accordingly we made arrangements with the company for this on July 20. The trip will keep me away from Iquitos from August 5 or a day or two after until about September 25 or later. It should also be borne in mind that one always runs the risk of stranding in this river, where there is practically no traffic at all, and it is possible to be tied up in this way for four or five weeks.

In making our arrangements with the company, we insisted on paying our passage and stated that we also wished to pay for anything that we might find it necessary to buy up the river, although they offered us free passage and all we might need.

The local situation remains much the same as it was two weeks ago, so far as the Iquitos public in general is concerned. The tone of the articles that have been appearing in the public press has produced, however, a feeling of irritation and resentment at what they privately characterize as meddling on the part of the United States and England among the Government officials here, but to both Consul Michell and myself they have continued studiously courteous. The officials are undoubtedly becoming nervous in regard to the situation.

My British colleague and I called on the acting prefect and applied for some document in the nature of a passport, to be addressed to the local authorities, and this he said he would be glad to give us. He also suggested sending a military aide to accompany us, and though we were by no means enthusiastic over this proposition I fear that we may not be able to avoid it.

He also took occasion to repeat the remarks detailed in my dispatch No. 19 of July 15, minimizing the Putumayo question altogether, and

added that efforts to secure the extradition from Argentina of Normand (one of the accused criminals) were being made and bade fair to be successful. He complained that Sir Roger Casement had taken away all the worst criminals, and also that he had taken away with him two native boys, whom he later returned to Iquitos and left here without homes or support.

When I have been asked, and a reply seemed necessary or politic, I have stated that I have neither desire nor instructions to interfere in any way whatsoever with the administration of justice or the internal affairs of Peru, but that in the course of duty it falls to me as a consul to keep my Government informed as to labor as well as other commercial conditions in the district in which I may be stationed, no matter what part of the world, and that I shall report on these in the Putumayo as well as in the other rivers of the district; and that as public subscriptions are being collected abroad by persons with the same high ideal of serving humanity that has actuated the Peruvian Government in the steps it has inaugurated to put an end to excesses in the Putumayo region, for the announced purpose of sending missionaries to that region, information is desired as to the condition that American citizens coming on this mission may meet with and the conditions under which the money will be expended.

My British colleague has based his action in the matter on four grounds:

1. The responsibility of an English company, still in existence though in process of liquidation, for the atrocities in the past and their share in the responsibility for conditions in the present.
2. The presence in the region of British subjects.
3. The collection in Great Britain of subscriptions with the object of sending missionaries to the region.
4. The general idea of serving humanity by reporting to his Government the true conditions, to be published if they see fit.

I have [etc.]

STUART J. FULLER.

File No. 823.5048/82.

The American Consul at Iquitos to the Secretary of State.

No. 29.] AMERICAN CONSULATE,
Iquitos, Peru, August 6, 1912.

SIR: I have the honor to transmit herewith a copy of a letter just received from the acting prefect of Loreto in reply to the letter I addressed to him on the 10th of July, together with a translation, a copy of my reply, and a translation of it.

As I asked for no information that would not form a necessary part of that at the command of the prefecture if they are at all responsible for the government of the region in question, it is hard to see why they should state that it is beyond their sphere of action and go to authorities as far removed from the Putumayo (in point of fact) as Europe is to apply for information. If anything has been done, it seems most extraordinary that the departmental authorities should not know of it. It is hard to conceive of any reason for their wishing to conceal any reforms already accomplished.

If it is really considerations of time and distance that prompt the Lima Government in the course they outline, it is hard to see why they should wait until especially asked for the information by the Minister. They know that it would be at least October before any advices could reach him from me, and there is nothing to prevent their saying to the Minister, "Your consul at Iquitos has asked for certain information on behalf of inquirers from the United States, but on account of time and distance from Iquitos we prefer to give the information to you for transmission to your Government."

In fine, the letter is really an admission that the responsible government of the Department of Loreto can not point out anything that has been done to better conditions, and a warning that any attempt to get at facts on the ground will not meet with their assistance or cooperation, as well as an effort to hold off any inquiry until the matter blows over, or until they have at least had time to start something in the Putumayo. It is a good example of the shifting equivocation that meets one throughout in the attitude of the local authorities.

I have [etc.] STUART J. FULLER.

[Inclosure 1—Translation.]

The Acting Prefect of Loreto to the American Consul at Iquitos.

IQUITOS, *August 5, 1912.*

THE CONSUL OF THE UNITED STATES OF AMERICA:

I was glad to receive your note of the 10th of last month, in which you asked me for some information relative to the Putumayo region. As the greater part of the information requested by you relates to measures and acts that are not within the province of this prefecture, I asked my Government to furnish me information in regard to what you wished to know. My Government charges me to inform you that they will have the greatest pleasure in submitting to the Government of the United States the information desired with regard to the Putumayo region, but that they consider it more convenient, on account of considerations as to time and distance, to furnish this direct to the American Legation in Lima, which already has knowledge of the affair, whenever the Legation asks for it, etc.

E. CASTANEDA.

[Inclosure 2—Translation.]

The American Consul at Iquitos to the Acting Prefect of Loreto.

AUGUST 6, 1912.

THE ACTING PREFECT OF THE DEPARTMENT:

I have the honor to acknowledge the receipt of your letter of date the 5th instant stating that the information asked for in my letter of the 10th of the preceding month relates to measures and acts that are not within the scope of your office, and that the Legation at Lima should ask the authorities in the capital for such information.

I take [etc.] STUART J. FULLER.

File No. 823.5048/105.

The American Consul at Iquitos to the Secretary of State.

No. 33.] AMERICAN CONSULATE,
Iquitos, October 28, 1912.

SIR: I have the honor to report that I left Iquitos on August 7, 1912, by launch, for the Putumayo region, and reached here again in

return late on October 6. Total absence of facilities prevented my communicating with the Department in the meantime.

There is evidence that the company has mended its ways to some extent, at least for the present, but it is plain that, up to date, the Government has done nothing at all on the ground.

As previously reported to the Department, my British colleague and I desired to go up to the Putumayo quietly, and in such a way as to be independent of the company if possible. After we had waited over two months for the dispatch of a Government launch to the region (as stated in my No. 25 of July 31) we finally gave that idea up and decided to take the company's launch. We took care, however, to say nothing about it until the very last minute, and then we made it plainly understood that we would accept no favors whatever, and would insist on paying for everything that we got.

To be as independent as possible, we provided ourselves with tents and rations, and took with us our own cook, a colored Barbadian. We also took, as interpreter, John Brown, a native of Montserrat, a British subject, thoroughly familiar with the Huitoto language, who had spent some years in the Putumayo region at the time when the atrocities were at their height. He is the man whom Sir Roger Casement brought down from the West Indies to act as his interpreter, and he gave testimony before the prefect at Iquitos in the matter, as stated in the Casement report.

The acting prefect failed to provide us with the letter to the local authorities, which we had asked for, and which he had promised us; but on the evening before departure I received from him a letter, a copy of which, with translation, is inclosed,[1] to the effect that Carlos Rey de Castro, the Peruvian Consul General at Manaos, would join the Peruvian Amazon Co.'s launch *Liberal* at the mouth of the Putumayo, and that he was going up "on a journey of investigation, with the object of ascertaining the fulfillment of the measures taken there, and to see how the instructions issued to the authorities of that zone were being carried out."

Although Señor Rey de Castro is a high official of the Peruvian Government, I do not consider the selection of a man of his reputation, for the duty of accompanying us, by any means a compliment to myself or to the United States Government. His reputation is well known and a matter of common talk in Iquitos. It is epitomized in Sir Roger Casement's report of November 24, 1911, on page 3, where he states that Señor Rey de Castro, on the occasion of his previous investigation of affairs in the Putumayo, was bought by Señor Arana for the Peruvian Amazon Co., the proof of which was seen by Sir Roger Casement in the company's books at Manaos. I am inclined to believe that the prefect's reticence as to the exact nature of his mission was largely due to the fear that we might withdraw from the trip altogether were we advised of the real facts before our departure. Indeed, I did think seriously of so doing, but decided to continue in view of the arrangements already made at considerable expense and the doubt as to facilities for going up at a future date.

The launch *Liberal*, with the British Consul and myself on board, was met in the River Amazon, not far from the mouth of the Putu-

[1] Inclosure No. 4.

mayo, by the English mail steamer *Napo*, bound for Iquitos, and Señor Arana, of the Peruvian Amazon Co., with his party, joined us. This party consisted of Julio C. Arana, the liquidator of the Peruvian Amazon Co., his secretary and brother-in-law, Marcial Zumaeta, a photographer, an agronomist, a bookkeeper, a Huitota named Julia (the mistress of the criminal O'Donnell), and Señor Rey de Castro and his servant. All of these proceeded to La Chorrera with us in the *Liberal*.

On August 16, the night before we arrived at La Chorrera, Señor Rey de Castro showed my British colleague and myself copies of extracts from two telegrams and a copy of a letter from the acting prefect of the Department of Loreto, which, he stated, constituted his instructions. Copies of these, with translations, are inclosed.[1] He said that he would take entire charge of the trip and make all the arrangements. This was the first mention that he made of the nature of his mission.

I thanked Señor Rey de Castro for his courtesy, but declined his assistance, stating that, from the advices I had received from the acting prefect at Iquitos, I understood his mission to be an investigation as to the conduct of their business by the local authorities, and hence not the same as mine, which was to report on commercial and labor conditions, those under which money being publicly collected for missionary purposes might be spent, and the conditions to be met with by any American citizens who might elect to go there as missionaries. I also stated that it was beyond my province to sign formal acts with him regarding the internal affairs of Peru without explicit instructions from my Government. I added that I expected and desired to travel quietly and independently, to see the people in their home life; that I had complete equipment for so doing, and that neither assistance nor escort were necessary.

When asked if I did not form one member of a joint commission with the British Consul to investigate crimes committed in the Putumayo, I stated that I did not; that I might and might not travel in the interior with Mr. Michell; that I was not informed whether he had instructions to investigate possible criminal acts on the part of the British company operating there.

When asked if I would give him a copy of my report, I stated that I could not do so, but that the Peruvian Legation at Washington might, if they wished, apply to the Government for it.

The letter of the acting prefect which he showed us is an interesting commentary on the lack of good faith that has characterized the local authorities in their dealings throughout. The Department will recall that I wrote and asked the acting prefect for certain information regarding the Putumayo, as reported in my dispatch No. 29 of August 6, and in previous dispatches. In his reply, which accompanied the dispatch just cited, he stated that the information desired was beyond the province of his office; but his letter to Señor Rey de Castro, although it bears a date anterior to the one he addressed to me, conveys exactly the information asked for by me.

On our arrival at La Chorrera, Mr. Michell and I politely, but firmly, declined to stay in the company's house. This position was

[1] Inclosures 1, 2, and 3.

fully understood by the company manager and taken without offense. For what meals we had on board the launch after arrival and at the company house, when unavoidable on account of the delay in unloading our food supplies, we paid and hold receipts.

In addition to several others, I visited all the posts referred to in the Casement reports as having been the scene of outrages except Matanzas and Abisinia. The former has been abandoned, and to visit the latter would have meant spending two months more in the region at an expense to the Government that I did not consider would be justified by results.

The British Consul also visited Oriente and Sur, in the La Chorrera section of the company's property, and Argelia, in the El Encanto section. At the first named there were at the time no Indians to be seen. Indians from the second were our carriers to La Sombra. Both are small posts near to La Chorrera. I could not see that the additional expense would be justified by any possible results, as I could get all information from Mr. Michell and the Indians themselves. It also seemed to me a tactful policy to omit a few of the places so as not to appear too completely identified with the British Government measures, and I chose these, as the least important, to be omitted. As to Argelia, I felt that my time could be spent to better advantage in El Encanto.

Throughout the trip we were so carefully watched and hedged about that if there was anything to hide we could not possibly have seen it. In fact, as stated in my dispatch No. 13, of July 1, anyone traveling through here is of necessity entirely dependent on the company. None but their men know the roads, there is no food but what they have, there are no facilities for water transportation but what they own, carriers can only be obtained through them, and all the time one is traveling on their private property.

The Peruvian Consul General and his suite were far from being of any assistance to us. At the very start, on his request, the departure was postponed five days, as he said he wished to see that certain prisoners were really sent back on the *Liberal*. When we suggested going on ahead by land it was not possible to secure the necessary carriers. On the trip he succeeded in delaying us in one way and another, apparently on purpose, to such an extent that the river trip, where, for lack of facilities, we had no choice but to go all together, was extended from the proposed three days to a week. He insisted on stopping at unimportant places, where he apparently did nothing but take meaningless photographs of Indians.

He continually attempted to take the direction of the whole thing into his hands and ordered the company's men about to suit his convenience, apparently with the intention of conveying the impression that this was an inspection tour under his sole direction.

We particularly did not wish to be identified with this party that insisted on accompanying us, and, though always courteous, we took care to emphasize our independence by living separately, except on the launch, where it was not possible, but where we paid for what we had. We also paid our own carriers separately in every instance.

I am sure that it was not Mr. Tizon's intention to delay or interfere with us on the trip, as his personal man in charge of the launch arrangements chafed at and complained of the delays, had not pro-

vided sufficient food for so much time in transit, and told me that Mr. Tizon had told him to press on as quickly as possible, that we might have the opportunity of seeing as much as possible in the time at our disposal. It was quite clear that the direction of affairs was taken out of Mr. Tizon's hands by Messrs. Arana and Rey de Castro. Difficulties as to securing carriers at La Chorrera, where Mr. Tizon had immediate charge, did not arise until after Messrs. Arana and Rey de Castro had stepped in and were not suggested before.

It was quite evident throughout the trip that not only ourselves, but even our interpreter were the subjects of a close espionage. It was not possible to go anywhere among the natives without being followed by employees of the company. Whenever we tried to talk privately to the Indians an employee of the company familiar with the Huitoto language always approached, with the result that the Indians invariably ceased to be communicative.

At Emeraes, on August 27, Mr. Michell and I, accompanied by our interpreter, had engaged in conversation in the Indian house with a number of Indians of more than average intelligence. They were talking quite freely, when suddenly the spokesman, a chief, turned off the conversation, saying, with indifference: "Yes; we are quite contented. We are well paid and the white men are very good to us." The change was so striking that we looked around and saw there the cook of the Arana party, who must have left his work to listen to our conversation. He immediately pushed forward and volubly assumed the office of interpreter, plainly putting his own words into the mouths of the Indians. We dropped the subject and the cook left, but no sooner did we again start a conversation with other natives than a station hand ran over to the house where the Arana party were and brought the cook back, again to interfere in a similar manner. Immediately afterwards Julio Arana appeared and we were unable to continue. This cook told our servants that he was acting under instructions to hear and repeat everything that we said to Messrs. Arana and Rey de Castro. This same sort of thing was repeated in the other posts, and the fear among the Indians of speaking frankly or of making any complaints was marked. In a letter which he addressed to me on my return to Iquitos, Señor Rey de Castro states that he considered this sort of surveillance a part of his duty.

We only managed to get in three days without this constant surveillance by altering our arrangements at Ultimo Retiro suddenly in the middle of the night, arranging independently with the section chief, an Englishman, who had incautiously said that there would be no trouble to get carriers, before the Peruvian Amazon party or Señor Rey de Castro had had the opportunity of warning him against extending any facilities to us. Even then two so-called guides, for whom we had not asked, were sent along to keep an eye on us.

Except on the trip from Ultimo Retiro to Entre Rios, it was not possible for us to see the Indians in their native homes, for, when we were coming they were all called into the section center by the signal drums, given a dance, provided with food, and evidently enjoyed themselves hugely. Interesting as this was, it conveyed no idea of the real situation nor of the relations between the Indians

and the company. All it went to show was that such lavish treatment on the part of the company is distinctly unusual, though pleasing to the Indians. Though these displays were stated to be for our benefit, we were carefully prevented on all such occasions from having any independent conversation with the Indians.

I have discussed thus in detail the treatment that we received for two reasons. It throws an interesting light on the protestations of the company and of the local government that they have nothing to hide and no fear of unprejudiced publicity; and it also goes to show one phase of the problem that confronts Peru in attempting to do something toward the government of the region. A Government officer, to become conversant with the local situation in the Putumayo, must be prepared to stay in the district a year or more, well and independently provisioned and equipped, and having back of him ample authority from the Peruvian Government. Such a man would have to be absolutely honest and well paid (to remove the possibility of temptation). He must also be prepared and unafraid to risk his life in many ways while he is there. Men of this kind are hard to find.

Throughout the trip, both my British colleague and myself were careful to avoid even the appearance of interfering in the internal affairs of Peru. My position was as stated to the Peruvian consul general, and detailed above, and Mr. Michell based his action on the following grounds:

1. The responsibility of an English company, still in existence, though in process of liquidation, for the atrocities of the past and their share in the responsibility for conditions in the present.
2. The presence in the region of British subjects.
3. The collection in Great Britain of subscriptions with the object of sending missionaries to the region.
4. The general idea of serving humanity by reporting to his Government the true conditions, to be published if they see fit.

As to the Indians themselves, whatever they may have been in past generations, I am satisfied that they are not now, and were not at the time when the atrocities took place, wild, untamable, cannibal savages, but mild, docile, inoffensive, and childlike, just as they are reported to have been by Robuchon the explorer, by Consul Eberhardt, and by Sir Roger Casement. It is practically impossible to estimate the total number to be found in the Putumayo region. A personal visit to every Indian house would be necessary to this end.

These natives can not count over 20, and many not over 10. They have no idea of time or of dates other than that some can count moons and a few recognize the equinoctial changes. They have no idea of their own ages.

As to conducting business, they simply know that if they bring in rubber they get guns, hammocks, and other things from the white man. They could not possibly calculate quantities or debts, nor would they realize what peonage means.

I doubt whether they know the difference between proper treatment at the hands of the whites and maltreatment, for the simple reason that the first idea of the white man they had was bad usage. In case of any trouble they would not be likely to appeal to the au-

thorities. They would not understand how, and they have no conception of government. The only way to protect them is to watch over them and their interests.

The natural supply of food for these Indians comes from their chacaras or farms, and consists of cassava and yucca and some maize, sugar cane, and plantains. There is very little game in the forest, but they get an occasional monkey or bird. The soil is so poor, despite the luxuriousness of the forest, that they are obliged to move these chacaras every two or three years to get crops. They clear a new place in the forest, let the fallen timber dry, burn it over, and then plant between the stumps. It is plain to see that if prevented in any way from working their farms, the Indians must of necessity starve. They state, and so do the employees of the company, that in former times they were so pushed by the company for rubber that their chacaras were neglected and they often found themselves at the point of starvation.

All of the Indians that we saw looked well fed and vigorous. The photographs which accompany the present dispatch, and which were taken by the writer, will give an idea of what they are like. Our interpreter, who was in the district at the time the atrocities were being practiced, says that there is no great difference between their appearance then and now. They are a small people and not over strong physically. We saw a considerable number in the various posts who bore the scars of old floggings.

The Indians all knew who Arana was. They called him "Captain of the Peruvians" and evidently stood in great awe of him. He is much more to them than the whole Peruvian Government.

Mr. Tizon, the manager at La Chorrera, states that on the books of his sections there are at the present time about 2,600 working Indians. He admits that it was all forced labor in the beginning, but believes that it is now retained by the growth among the Indians of the desire for European articles, guns, hammocks, etc. He states that all goods are furnished on the advance system. While he deprecated peonage, he said he did not see any way out of the system of advances at the present time. He says that if more Indians were needed in addition to those already working rubber, he has the hope that the desire for goods would bring them to work, but he was inclined to touch rather lightly on this phase of the question.

As to the Peruvian Government, it is plain that they apparently leave the whole zone to the company to do as they please, the occurrences of the past notwithstanding. I saw nothing whatever to support their repeated protestations as to the measures they were taking to improve conditions.

In fact, the total absence of any attempt at government up to the present time was freely admitted to both the British Consul and myself by Señor Rey de Castro. There was no other position he could take, when once he was on the ground.

Señor Rey de Castro stated that Peru was not in a position to take any action in the Putumayo region prior to 1910, on account of her modus vivendi with Colombia, by virtue of which Peru was to have jurisdiction of the Napo, Colombia of the Caquetá, and the Putumayo was to be a region alias where neither party was to attempt jurisdiction. If any such arrangement was entered into by Peru in 1908,

when this agreement was stated to me by Señor Rey de Castro to have been entered into, it is a sad commentary on the position of both of these nations toward the exploitation of the Indians by ruthless and unprincipled rubber gatherers, for the horrors of the Putumayo were then, and had been for some time, a matter of common knowledge, and the character of the white inhabitants of the region was no secret to either Colombia or Peru.

Señor Rey de Castro also stated that no action had been taken by Peru against the criminals at an earlier date, because it could be proved that the crimes were committed almost exclusively by early Colombian settlers, and to admit this would support the claim of effective occupation set up by Colombia. This, however, does not excuse the supineness of the Peruvian Government after the establishment in the district of the Arana House, a Peruvian enterprise, which by 1906 controlled the region entirely.

Up to the time we arrived in the Putumayo, the sole representative of the Government for the entire region was the comisario, Señor Buenaño, at La Chorrera, and a justice of the peace, Señor Torrico, the latter an employee of the company and with jurisdiction limited to civil suits and those of the most minor importance. This is what the prefect informed me and what I found to be a fact.

The prefect also informed me that the comisario was actively engaged in traveling throughout the region, continuously inspecting the country under his charge. At every post I visited I inquired how often Comisario Buenaño had visited there in the course of his year in office. At some of the posts he was not even known by name. One section chief was surprised to learn of his existence. All were surprised at the idea that a Government official might visit their posts. It developed, as a result of these inquiries, that Señor Buenaño did some traveling, but only to sections about which little or no question had been raised. He visited Oriente, Sur, Sabana, and Santa Catalina. He also visited El Encanto four times, where he traveled to two or three of the subsections. At Sur he spent nine months, living with the section chief, an old school friend of his.

The strength of the Government's hand and the extent of their control is indicated by the fact that Consul General Señor Rey de Castro found it necessary, in order to secure information in regard to his mission, to rely entirely on the company.

The fact is that this vast territory was handed over by the Peruvian Government to a private business enterprise, at first Peruvian and later British, while the Government made no effort to exercise sovereign rights or establish law and order therein. The sole officials—two in number—were Government officials in name only, being employees of the company. It is only now, after repeated exposure of the maltreatment of the natives, extending over a period of some eight or nine years, that the Government has even made a pretense of doing anything.

The pressure brought to bear in Lima has evidently borne some fruit, in that just before my British colleague and I left Iquitos, and apparently only after we had announced our intention of making the trip, the organization of a force of constabulary for the region was hastily undertaken. As men could not be secured in the day or two available, 25 of the soldiers stationed at Iquitos were drafted for the

service. These men were selected on the day that we left and sent up on the launch *Liberal* with us. They were ill equipped and the facilities necessary for their efficiency were totally lacking. They have had no training in their new duties and even the manner of utilizing them is still in doubt. Reenforcements, consisting of three boys of from 16 to 18 years of age, reached Chorrera by the second voyage of the *Liberal*. Twenty-five more men have been sent up with a military expedition by the launch *Adolfo* in the last few days, but there seems to be some question whether they are to be used as troops or as gendarmes.

The company feels that the establishment of constabulary forces through the district will interfere with their business, scaring the Indians, whom it will take a long time to teach that these gendarmes are their friends. This is doubtless true.

Another argument advanced by Señor Rey de Castro to account for the failure of the Peruvian Government to establish any form of administration in the region, was that the whole district (it is about the size of the State of Maryland) is private property, on which, according to law, Government forces may not enter except at the request of the owners. This would not account for the presence of Peruvian troops and it is absurd to deny the police power of the state under the existing circumstances. A slightly different view is taken here at the prefecture. The secretary states that as the company's title to the property is not complete the forces of the Governmen may enter at will, and adds that it is proposed to make this a condition of the final confirmation of the proposed grant.

Throughout the region, up to the present time, the administration of any justice that has been administered has been in the hands of the company's section chiefs. Several of these admitted frankly that they put in the stocks both Indian and white employees for minor offenses and to maintain order, and, indeed, it is hard to see what other course was open to them under the circumstances. Señor Loayza, at El Encanto, says that he has encouraged the Indians to come to him with their disputes and troubles, for the reason that the sole method of treating these known to the native is so cruel and drastic. The only penalty they know is death and they have been known to impose this for the theft of no more than a few bananas.

In the statements made by the Peruvian Government officials regarding the region there is a great tendency to confuse the military forces there with civil administration. Although Señor Rey de Castro insisted that the troops were instructed to assist in the administration of government in the region, the officer in command on the ground and the officer in command in Iquitos assured me that the military had nothing to do with civil matters, their sole business being to guard the frontier.

Señor Rey de Castro stated to me that when the present commandant of the Putumayo region came there to take over command he found the troops working rubber for the company, and was obliged on this account to alter the arrangement of the posts—an important comment on their value in protecting the Indians. At the present time they are all posted well away from the company's workings, in small detachments of 15 to 25 men each, at points on the borders. I do not believe that there are more than 125 in the whole region.

A great deal was said in the region about slave trading raids along the borders made by Colombian freebooters and there is little doubt that such take place. I could not see, however, that much had been done by the Government to protect the Indians against these.

As to the prosecutions for the crimes of the past it will be recalled that, although their existence had been a matter of common knowledge for years, nothing was done until Sir Roger Casement brought them officially to the notice of the prefect in November, 1910, representing them as having been committed by the agents of a British company operating in the zone. It was shortly after this that the Paredes judicial commission went up, resulting in the indictment of over 200 persons. Of these, some 75 of the more insignificent were captured and are still in jail at Iquitos. Most of the principal ones were allowed to escape. In all the time since the authorities have been in possession of the facts presented by their own commissioner no punishments have been imposed and the cases have been allowed merely to drag along. It was stated to me by the prefect and the acting prefect that this was largely due to the fact that the indictments of Dr. Paredes were faulty; but, apparently, no effort had been made to perfect them or to strengthen the Government's case and, in the meantime, the difficulty of securing reliable witnesses is increasing. In fact, it is quite possible that the indictments were purposely drawn in such a way as to make prosecutions difficult, if all that is said of them by the acting prefect be true. In view of this it is hard to see why the Government should have again chosen this gentleman to assist in the task of drawing up a plan of government for the Putumayo.

I can not see now, after visiting the region, any more than I could when writing my dispatch No. 19 of July 15, what can be accomplished by the roving commission of Dr. Paredes or by a commission sitting in Iquitos (none of whom I believe have ever visited the region in question) toward assisting in a plan of administration. Dr. Paredes has not gone up and it is stated by his friends that he does not intend to go. So far as I have been able to ascertain the commission has not yet had a sitting.

The fact is that no change was made in the district until the gendarmes were hurriedly sent up with us and a new comisario appointed. The proposals now put forward by the Government are the very minimum for the insurance of order and protection to the Indians. They depend for the least degree of success on the active, costly, and sustained efforts of the Government themselves, now suffering serious financial embarrassment, and on the loyal and self-denying cooperation of a bankrupt trading company exposed to the temptation of working out the last pound of rubber while the price will still enable them to sell at a profit.

The plea of distance and difficulties of communication advanced by the Peruvians is an admission, in reality, that the region lies without their natural sphere of administration, an acknowledgment that Colombia would promptly meet by undertaking to administer this territory, to which she has never relinquished her claim.

As to public opinion, it stands just where it did when I first got here, as outlined in my previous dispatches. Considerable resentment has been aroused by the agitation that has taken place abroad,

but it is fear for the political sovereignty of Peru in the region that has been aroused rather than solicitude for the welfare of the Indians.

As for the company, I believe that, having followed the policy of forcing everything out of the native labor that they could, they are now resting on their oars until the Indian population can recuperate and the rubber sources replenish themselves; but, believing (as a result of the way in which the Government has handled the pending prosecution) that they would be immune from interference, they would not hesitate a moment to repeat the past were it necessary to make a big showing preparatory to unloading the property. In fact, it is hardly good policy for those in control to force the property while the company is in liquidation, but, rather, it is advisable to conserve the resources until after the settlement of the receivership.

It was about 1898 that the Colombians began working in the region to any considerable extent. Since 1906, as the Department will recall, it has been controlled by the Arana house and their successors, the Peruvian Amazon Co. The company operating there now is still the British company, but in liquidation, with three bodies of creditors, the Peruvian, Brazilian, and European. The Peruvian creditors demanded the appointment of Julio C. Arana as liquidator, in lieu of which they threatened to close everything up, and the Brazilian and European creditors could do nothing but agree. Señor Arana states that the European claims have now been largely settled and that there is only a small European interest now in the liquidation. He says that he has from three to five years to complete it.

The property, for administration purposes, is divided into two parts, the La Chorrera section and the El Encanto section. The management of each of these is independent of the other, the heads reporting to the main office in Iquitos. The La Chorrera section is the larger and more important and was the scene of the atrocities described in the Casement reports. The El Encanto section includes the territory which was first worked by the early Colombian rubber gatherers.

The administrative staff for the La Chorrera part of the property consists of a chief manager at La Chorrera and 85 white employees, located in 10 posts and La Chorrera itself. The section is divided into subsections, at the head of each of which is a section chief. The present chief manager, Señor Juan A. Tizon, states that he feels he has removed all incentive to the abuse of the Indians by abolishing payment to white employees on a commission basis, depending on the amount of rubber produced in their respective sections. He states that he stopped this practice on taking charge in January, 1911, and that no commissions have been paid since. He says that the section chiefs have no knowledge of the accounts for their sections and do not know whether they are showing a profit or not; that five of them receive £25 per month and five £30, all being fully found. He states that only one of the old chiefs of section, Señor Seminario, is left, all the others having been discharged.

The El Encanto portion of the concession is stated by the section manager, Señor Miguel A. Loayza, to have a staff of 55 white em-

ployees. He says that he also abolished payment by commissions in January, 1911, though he claims that no bad results had come of it under his previous administration of the section. He has been chief manager at El Encanto for six years. He says that all his subchiefs date back to 1908; that he had gradually discharged the previous chiefs, as he could, in 1906 and 1907 on account of their ill treatment of the Indian population. There are nine subsections in this part of the property.

Señor Tizon, at La Chorrera, I believe to be sincere and honest and trying to do the best he can. His ideas are good, and if allowed to work them out he should in time accomplish much for the good of the Indians. I am inclined to believe, however, that his authority at present is limited and that he will only be allowed a free hand with his reforms so long as they suit the business purposes of those in control of the company. If the company were recapitalized and the necessity for paying dividends on a heavy stock issue were to arise he would likely go.

He has a difficult task and realizes it. The situation in the La Chorrera section is such that the chief manager at La Chorrera might easily and without blame to himself be unaware of maltreatment of the Indians at the outposts.

He offered to show me his books, but I stated that I did not care to see them, being neither a Peruvian nor a British official, but that if my Peruvian and British colleagues examined them I should be glad to be present. This examination took place. The books apparently showed no commissions; but it would be easy, if the company were paying them, to credit salary only at La Chorrera and commissions on the main books at Iquitos, thus deceiving both Mr. Tizon and anyone who might base his opinion on the La Chorrera books alone. It is a little hard to believe how some of the section chiefs are induced to undertake the work for the same salary that is paid an ordinary clerk at Iquitos, unless it is with the hope of opportunities for substantial gain in the future.

While the two chief managers are men above the average, those in charge of the subsections (with a few exceptions) are very ordinary and, I believe, entirely capable of repeating the atrocities of the past if instructed to or offered inducements, such as commissions on rubber produced. In other words, the machinery is all there; and there is danger that the temptation to make a big showing preparatory to seeking new capital might bring about a return to old conditions. The sole value of the property lies in the labor. The product is inferior and, I believe, worked out to a considerable extent, and the only possible way to make a showing is to push the Indians.

Not much can be said for the morality of the white employees. Now, as when Sir Roger Casement was there, all the whites live with native women without the formality of marriage, and change these consorts at will.

The atrocities of the past were everywhere admitted throughout the regions, and there can be no question of the substantial truth of the Casement reports. Only one attempt at palliation was made to me during the whole trip.

As previously stated, payment for the labor of the Indians is all on the advance system, with the exception of a single tribe in the El

Encanto section. The company states that the manner of utilizing and directing the work of the Indians is as follows: The neighborhood of an Indian house is divided into three parts, two near the house and a third fairly well removed, which are assigned to the tribe inhabiting the house. These three parcels of land are worked in rotation, three months being devoted to each. After sojourning in the two nearer sections for three months each, living in tambos or temporary shelters that they build for the purpose, the tribe is allowed to return to their house and work chacaras or plantations for three months, and then proceeds to the far section again to work rubber. It was stated that no effort is made to keep the natives at work in the division allotted to a special time, but only to hinder them from working in those lying fallow. Each one of these working periods is referred to as a "fábrica." In part of the property the year is divided into three instead of four periods, but the system is essentially the same. In some sections the time allowed to the natives to work their plantations is divided into periods of one month each at the end of their rubber-working periods. It will thus be seen that the time and place of his labor are determined for him by the company and he is not altogether free in any case.

It is not trade and can not properly be so called. The Indians, who can not count over 10 or 20 and can give no intelligent idea of quantity, are hardly capable of understanding trading on a system of advances. Say what you will, it is nothing more nor less than forced labor, whether it is secured and kept by the rifle or by a system of peonage based on advances of merchandise.

From their action while we were in the zone, it was apparent that the company either had something to hide or feared that we might confuse the Indians' statements of the past with the present. I can see no other plausible reason for their having us, and particularly our interpreter, watched so carefully.

I believe that the Indians only work rubber in the fear of what might be done to them, based on the experiences of the not far-distant past. I am inclined to believe that "commissions" are still undertaken to get the Indians to work, though it was stated that no pressure is brought to bear on them. At present threats and reminders of the past would still be sufficiently effective to bring them in, but Comisario Lores indicated to me that he did not have full confidence in the measures adopted by the expeditions sent out, and intended as soon as his force was trained and organized to send a gendarme out with each such "comision."

Another thing that is hard to believe is that valuable merchandise is handed out to these Indians, whose thieving propensities are very evident, without any security, and that nothing whatever is done if they fail to bring in rubber to cover.

There were cepos [stocks] in plain view at Oriente, Sur, El Encanto, and Argelia, and they were stated to be used. We heard of some flogging, too, but it was said by our informants to be limited to punishments of the Indians attached to the stations and not extended to those engaged in working rubber. Fears based on the past may account for the payment by Indians against advances to some extent, as may also the desire for more of the articles of barter, but I am inclined to believe that these are necessarily reenforced by some addi-

tional pressure, though I do not think that the company at present is engaging in the destructive methods of the past or doing worse than administering an occasional flogging.

The road between Ultimo Retiro, Muinanes, and Entre Rios was the only place where we had an opportunity to discuss with the Indians their relations with the company. The captains of the native tribes, who were considerably above the rank and file in intelligence, were not afraid to talk in our tent, where there was no company employee about, after we had made it plain to them that we were not engaged in collecting rubber or doing other forest work and were merely traveling through to see how the Huitotos lived. They stated that a white man, who had since run away, had treated the Indians very cruelly for a long time, but that the present man in the company's house was very kind. They said that they now had ample time to work their plantations, though previously they had often been very short of food because they were forced to carry cargo and make roads in the time that they should have devoted to cultivation. They were emphatic and unanimous in saying that they wished the whites would go away altogether and leave them entirely alone, but that they had come to realize that this would probably never come about. They said that they felt they were now satisfactorily paid for their rubber and well treated. They had no conception whatever of the Peruvian Government, but regarded Arana as the chief of all the Peruvians.

These Indians were from the Ultimo Retiro section, which is managed by a young Englishman, formerly a storekeeper for the company in La Chorrera. It is the section which has been reduced from 2,000 working Indians to 200. It is the last section in which to expect maltreatment of the natives, for the simple reason that there are hardly any of them left to maltreat. I believe that here the company could see no other way to proceed except by kindness, in the hope of attracting back to their former haunts some of those who had run away. It was for this reason, I believe, that Mr. Parr was not prevented from giving us facilities (as was the case in some of the other sections when we wished to proceed overland through Indian villages by ourselves), the Arana and Rey de Castro party believing that it would be impossible for us to find here anything very derogatory to the company.

The amounts of rubber brought down by the company continue to increase. They brought to Iquitos 77.5 tons in August and 46.972 in October, making a total for the current year to date of 293.93 tons, as compared to 154.72 for the corresponding period in 1911 and to 225.53 tons for the whole year 1911. They will have one more cargo to bring down, which will make the total for the year 1912 at least 350 tons.

There is no doubt that the company is in a very bad way financially, and, as something will have to be done before long unless the price of rubber goes up, the temptation to abuse is imminent and strong. Considering the inaccessibility of the region (with consequent high cost of transportation for supplies and product), the unproductive nature of the soil (making food extremely scarce), and the very inferior quality of the rubber produced, it is hard to see how the enterprise can be made to pay without hard treatment of the Indians, forced labor to say the least.

As to the past, the truth is that the district was the ash barrel of both Peru and Colombia, and the concessionaires, though cognizant of this, were so anxious to make money that they took into their employ without investigation any of the ashes who professed a willingness to work. The deplorable result is already known to the Department. It was due to the criminal negligence of the Peruvian and British concerns, who in turn controlled the district, and the total absence of Government supervision. The British directors who entrusted the conduct of their business here entirely to Peruvian hands can not rely on that as relieving them from responsibility in the matter.

Nevertheless, in the absence of government machinery in the zone, I question whether the withdrawal of the company would better the situation of the Indians, for the territory would then be thrown open to freebooting expeditions like those of the Yaguas and Yubineto, discussed in my dispatches Nos. 13 and 20 of July 1 and July 16, respectively, and in these slave raids the Colombians would be as much to be feared as the Peruvians.

As to the proposed establishment of missions in the district, the company representatives and Señor Arana state that they would not mind missions of Peruvians, but they are noncommittal as to what their attitude would be toward missions of foreign nationality. It is easier to understand this when one bears in mind the fact that the authorities of the State church in Iquitos do not favor the establishment of missions in the Putumayo, fearing that they will not be allowed a free hand. In other words, the company is willing, if they must have missionaries, to have those whom they can keep under their thumb.

Although little or no interest is generally taken in religion in Iquitos, the local press of late have been making a great outcry against the admission to the Putumayo of missionaries of any nationality other than Peruvian, and columns have been published on the subject. Throughout, however, the fact has been overlooked that in all trans-Andean Peru there are only two or three missionaries of Peruvian nationality. The apostolic prefect here, who is not a Peruvian, stated to the British Consul that it has been found impossible to get Peruvians to come over the mountains for the work; that they only come when forced to, and then leave as soon as they can get away.

I do not believe that foreigners coming here as missionaries would get a particularly pleasant welcome. They certainly would get no support. The establishment of such a mission would involve heavy expense. The launches they would have to provide for the carriage of the necessary food supplies would cost them at least $6,000 to $9,000 a year, as it is not probable that they could arrange with the company to transport their goods. In addition to this they would have to take into account the extraordinary cost of all the necessaries of life in Iquitos.

I regret that both the company and the Government adopted the course of preventing us from seeing the actual conditions wherever possible, but trust that the course I pursued in the matter may meet with the department's approval.

I have [etc.]

STUART J. FULLER.

[Inclosure 1—Translation.]

PREFECTURE OF THE DEPARTMENT OF LORETO,
Iquitos, August 2, 1912.

The CONSUL GENERAL FOR PERU IN MANAOS.

On special mission to the River Putumayo,
Mouth of the Putumayo.

The chief clerk of the ministry of foreign relations, in a telegram of July 31 ultimo, tells me that, as you have been appointed a commissioner to accompany Messrs. George Bobington Michell, His Britannic Majesty's Consul in Iquitos, and James S. Fuller, Consul of the United States of North America in that port, who are going to the River Putumayo to ascertain the condition of the aborigines of that region, I should give you information with regard to the measures taken by our Government to prevent the perpetration of crime and the measures taken to capture delinquents.

On account of the indictment formulated by the fiscal of the supreme court, Dr. D. Jose S. Cavero, the Government arranged that one of the judges of first instance should go from Iquitos to the Putumayo for the purpose of drawing up a "sumario" in regard to the crimes committed in that region. Dr. Romulo Paredes, who at the time was charged with one of the benches of first instance, was the one designated to carry out this difficult mission, and went to the region referred to, accompanied by clerks of the court, interpreters, and the troops necessary to surround him with guarantees. This expedition was completed by the presence of Medical Dr. Fernandez Romero, who was to make the technical examination of such bodies as the judge should order. After some months of incessant labor and examination by the commission of nearly all the more important of the sections into which the business of the Peruvian Amazon is divided, the judicial commission of investigation brought in 215 indictments against various persons.

The repeated orders, both of the President of the Republic and of the department of foreign relations, which demanded of this office the immediate capture of the accused, were fulfilled as best they could be, and some (captures) of importance were made, but it was impossible to catch some of the accused, as they had fled abroad, and others because they died in the lapse of time between the commission of the crimes and the date when the region was examined by the judicial commission.

Despite the fact that all those who figure in the indictment as authors or accomplices have been sought for by the authorities, who have taken those whom they could find, it has not been possible to catch those that have taken refuge in Brazilian territory.

After this our Government, with indefatigable zeal, has made various arrangements for the establishment in the zone referred to of the rule of law and justice, and has named a special commission to propose for the consideration of the Government a sincere plan for the establishment of the proper judicial procedure adapted particularly to the said zone.

Furthermore, an auxiliary commission has been nominated, to have its seat in Iquitos, composed of the writer, the fiscal of the court, and Dr. J. V. Maradiegue, for the purpose of assisting in the formation of opinions in the capital of the Republic, and, among other things, Dr. Romulo Paredes has been ordered to go to the Putumayo and examine the region and there personally collect fresh data and impressions, so that the question can be taken up with absolute knowledge of the circumstances.

What is more, the Government has created a corps of gendarmerie especially for the Putumayo, completely independent of our garrisons, to second in everything the action of the political (military) and judicial powers. The first lot of gendarmes is proceeding to the district by the same steamer that takes this letter.

Furthermore, Señor Benito Lores has been appointed special comisario of the Putumayo, to reside in La Chorrera and travel through the entire zone under his jurisdiction, inquiring into the crimes that may be committed and capturing those who still live there as fugitives from justice. Señor Lores has special powers and instructions from the department of foreign relations, with the object of establishing a wise and honest police administration, which will furnish every possible guaranty to those who live in this distant zone, especially to the aborigines, whom our Government watches over with all the concern that is awakened by their primitive customs.

With the creation of the office of special commissary and the corps of gendarmes it is certain that in a very short time those who have not yet been captured will be caught, and the percentage of crime will be reduced to a minimum or will entirely disappear, as is natural for it to do.

In a short time the Government will create a court of the first instance in the Putumayo in order to prosecute with all promptness the cases which are brought there, in this way making justice more prompt and efficacious than by the procedure through the interchange of judicial requisitions and other delays due to the great distances.

There is also to be installed a wireless station in El Encanto, in order to maintain a constant and rapid communication with this port, and in that way with the capital of the Republic. The tower is already boxed and ready to be sent to the Putumayo.

As you see, our Government is doing and has done all that is humanly possible to control the action of justice in a zone so distant, and is most actively occupied in removing the bad impression that the declarations of Sir Casement have made in their own mind, those declarations which were such disastrous revelations for our country.

The very dispatch of a functionary of your rank shows the interest of our Government in the normalization of this very vast section of our territory.

You, with your great talent and well-known discretion, will understand how to insure that the consuls learn the truth of affairs.

The comisario will show you his archives, and in these you will find in all detail the orders sent him by this office and what has been done toward the accomplishment of the judge's mandates.

E. CASTANEDA.

[Inclosure 2—Translation.]

EXTRACT FROM TELEGRAM NO. 1.

AUGUST 10, 1912.

We have informed English and American Governments that you are going to the Putumayo on an official mission of investigation. You are to present to us detailed and exact reports of all that you investigate and observe in company with the consuls. The common object is to discover true facts, and the Peruvian Government has for its duty the repression of crimes, if they perchance exist. See that the consuls sign with you records (formal acts) substantiating the data collected and investigations made in each zone.

ALTHAUS.

[Inclosure 3—Translation.]

EXTRACT FROM TELEGRAM NO. 2.

AUGUST 10, 1912.

By agreement with the minister, I send you the following instructions: First. Your mission consists in insuring that the English and American consuls who are going to the Putumayo in the steamer *Liberal* obtain exact data, free from all prejudice, regarding the situation in that zone. Second. The investigations, as we have shown the chancelleries of England and the United States, will not repeat those already made by Casement. Third. A new comisario, with a force, is going to the Putumayo. He is charged to repress crimes if they should exist and send the guilty to Iquitos. Fourth. Action must be taken without temporizing with delinquents, according to the reiterated orders of the Government.

ALTHAUS.

[Inclosure 4—Translation.]

PREFECTURE OF THE DEPARTMENT OF LORETO,
Iquitos, August 5, 1912.

The CONSUL OF THE UNITED STATES OF AMERICA:

I take pleasure in informing you that Señor Carlos Rey de Castro, consul general for Peru in Manaos (Brazil), has been commissioned by my Govern-

ment to proceed to the Putumayo zone on a journey of investigation, with the object of ascertaining the fulfillment of the measures taken there and to see how the instructions issued to the authorities of that zone are being carried out.

Señor Carlos Rey de Castro will embark in the steamer *Liberal* when she passes the mouth of the Putumayo River.

E. CASTANEDA.

File No. 823.5048/109.

The American Consul at Iquitos to the Secretary of State.

[Extract.]

ON BOARD STEAMSHIP MANCO,
Iquitos, Peru, November 20, 1912.

SIR: I have the honor to transmit herewith a copy and a translation of the letter, with its annexes, addressed to my British colleague and myself by Consul General Rey de Castro at Iquitos, after our return from the Putumayo, and which was referred to in my dispatch No. 33, of October 28, 1912.

The letter and its annexes contain several inaccuracies and a number of statements which in themselves are not altogether clear and might even mislead the Department if not fully explained.

In the first place, Señor Rey de Castro is mistaken in stating that he informed us of the object of his journey immediately after boarding the *Liberal*. As stated in my dispatch No. 33 (referred to above), he said nothing to indicate that his mission was other than what the acting prefect had informed us until the night before we arrived in La Chorrera, or six days after he boarded the *Liberal*. This was his first intimation to the effect that he desired or intended to accompany us.

A copy of the letter of the acting prefect to Consul General Rey de Castro (referred to in the second paragraph of the latter's note to us) accompanied my despatch No. 33 [1] and was discussed therein, as was also my refusal to sign formal acts with our Peruvian colleague dealing with conditions of law and order in the various sections to be visited. The statement I made to Señor Rey de Castro as to the nature of my mission in the region was given in full in the dispatch No. 33 (referred to above), which, it will be noted, does not exactly agree with the way in which that gentleman puts it in his letter.

As to collaborating with my Peruvian colleague, as suggested by him, without going through the formality of signing acts, I made it plain to him that I could not undertake this course of action—an interference with the internal affairs of Peru—any more than I could the other without definite instructions from my Government, but that there was nothing to prevent the Peruvian Legation at Washington from asking for a copy of my report if they should see fit to do so. Furthermore (though I did not state this to Señor Rey de Castro), I considered that his method of investigation, i. e., by calling in Indians to dances and relying on the company's employees for all food, accommodation, information, and even for interpretation from the Indian language, was better adapted to cover up any shortcomings than to make possible any throwing of "light on the facts."

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[1] Inclosure 1 in that despatch.

I did not make any "examination" of the company's books at La Chorrera nor at El Encanto, as Señor Rey de Castro's letter would seem to indicate, nor, so far as I know, was any real examination made. I was present at La Chorrera, but not at El Encanto, when the manager showed to Messrs. Rey de Castro and Michell certain entries which he considered substantiation of his statements with regard to the method of remuneration of the white staff. I do not consider that the books of a branch agency which does not pay the men in question are any corroboration of the claims made and in connection with which these entries were exhibited. The first I saw of any dispatches addressed to the managers at La Chorrera and El Encanto was after my return to Iquitos, from the copies which accompanied the letter under discussion.

It is true that Consul Michell and I drew up our own itinerary in the first place, but Señor Rey de Castro neglected to state that, once decided on, we were not permitted the liberty of changing it in the slightest particular; and he also omitted to say that at Atenas he and Señor Arana, for reasons of their own, saw to it that we were forced to abandon our original plan, drawn up "on our own initiative with entire liberty."

The Department will recall that it was only by a stratagem executed in the middle of the night that we were enabled to travel without our undesirable escort from Ultimo Retiro to Entre Rios or to see anything of the real life of the Indians. The section chief who was responsible for furnishing us the facilities for this is now on board the vessel on which I am writing this dispatch and tells me that he was severely censured for it. In the effort to arrange for traveling overland through the Indian villages from Atenas to La Chorrera, in accordance with the understanding we had at the outset of our trip with Mr. Tizon (who had assured us it was entirely feasible), I went ahead of the main party to the first-named place. There I made all arrangements with the section chief, who told me the road was good and the trip would give us an excellent view of native life, for carriers and facilities to go on with. After the others arrived, however, and interviewed him, this gentleman found, though he had not had an opportunity to look into the matter, that the road was impassable, and that we could not get carriers for the three days' journey because the Indians had to work their "chacaras," or plantations. This, however, did not prevent their being called in to dance two days for Señor Rey de Castro and spend a third in carrying the baggage to Puerto Peruano.

As to the picket of gendarmes, we particularly did not want anything of the kind, and said so, seeing no necessity for it and fearing they might intimidate the Indians. Although they were a nuisance and scared away the section chief and all the Indians from the first place where we stopped, the Peruvian consul general insisted in retaining them, stating that they were necessary to support his dignity.

The photographer to whom Señor Rey de Castro refers was a Portuguese in the employ of Señor Arana. Señor Arana told me this himself, and added that the pictures were for the use of the company (presumably for illustrating a new prospectus).

As the Department is aware, far from proving "the correctness of the particulars transmitted by the prefect of the Department of Loreto with regard to the persistent and active labor of the political, military, and judicial authorities of Peru," the one thing that could not be concealed from us anywhere on the trip was the very absence of any governmental action worth mentioning.

Mr. Michell informs me that he never ventured to express any opinion of the present condition of the Kongo natives. He has not been in the Kongo for some five years or so.

As to the point made by Señor Rey de Castro relative to the possession of arms by the natives, he forgets that they were thus armed at the time of the atrocities and omits to state that the guns to which he refers are antiquated muzzle-loading shotguns, from which the employes, armed with modern rifles and automatic pistols and revolvers, have little more to fear than from the old native blowpipes, arrows, and spears, and that the company has absolute control of the supply of powder, by exercising which they could at any time they wished render practically useless all these trade muskets.

I do not consider that the evidence we saw justifies the formally stated conclusions in Señor Rey de Castro's letter. As to the amount of rubber produced per man, I do not know what can be the source of his figure of 800 to 1,000 kilos per annum. Estimates of 250 kilos per man per annum in southern rivers are regarded in Iquitos as high. In the upper Madre de Dios and Inambari regions, where conditions do not differ greatly and where abuses of the Indian labor are freely stated to exist, the average is about 85 kilos a year. The figures given me by the company managers were 50 to 60 kilos for La Chorrera sections and 120 for El Encanto. The tables given in the annexes to the Peruvian consul general's letter, it will be observed, do not by any means check.

The money value of goods delivered to the Indian, which Señor Rey de Castro derives from the tables furnished him by the company, is no measure of the Indian's remuneration for his work. At the present time in the La Chorrera sections an Indian must bring in 20 kilos for a machete or an ax, 40 kilos for the cheapest grade of small canvas hammock, and from 60 to 70 kilos for a muzzle-loading trade gun. In other words, the average laborer can get for himself by working the average amount of rubber for a whole year in the La Chorrera sections a hammock and an ax or a gun without any ammunition.

Particular attention is called, in the letter under discussion, to the point referred to in my No. 33, that Señor Rey de Castro, after being introduced on the scene by a subterfuge and after having forced his company on us, considered the espionage practiced by himself and associates to be a part of his official duty.

I have gone thus into detail with regard to the letter addressed to us by the Peruvian consul general for the reason that it constitutes his effort, as a representative of the Peruvian Government, to put words of exoneration into the mouths of my British colleague and myself—an exoneration I do not consider justified by the evidence and the letter will doubtless be published with this end in view. I did not enter into any controversy with Señor Rey de Castro on the

subject for the principal reason that I have not yet received any intimation from the Peruvian Government to the effect that they wished him to be associated with me in the mission intrusted to me by the Department, and I did not think it advisable to address him in any way that might be construed as recognition of any authorized participation by him in my investigations. * * *

I have also learned that while we were in Ultimo Retiro there were employees working there who were under indictment for the old crimes. It seems strange that Consul General Rey de Castro, whose mission was directly connected with matters of this kind and who had shown me a list furnished him of those indicted and still at liberty, took neither notice of nor action in these cases.

I am also informed by the recent section chief at Ultimo Retiro, who was in charge when we were there, that human bones are much in evidence along the old trails and by-roads in that section. It will be recalled that here the working population was reduced from 2,000 to 200 in a few years.

As to public opinion in Iquitos, a large subscription dinner was given to J. C. Arana just before I left by the inner circle of the chamber of commerce. At this Consul General Rey de Castro and others made speeches lauding him and the company. Only one discordant note was heard. One of the speakers made the point that "throwing bouquets" was all very well, but that Peru and the whole civilized world were waiting to hear from Arana some word or proof to exonerate him from the charges under which he rests.

Local merchants in Iquitos state that the agitation abroad has greatly affected Iquitos credit in Europe in all lines, and under the present business conditions constitutes a serious question for them.

I have [etc.] STUART J. FULLER.

[Inclosure—Identic letter—Translation.]

The Fiscal Commissioner and Consul General for Peru in the States of Amazonas and Pará to the American and the British Consuls at Iquitos.

GENTLEMEN: On the day following my transshipment to the steamer *Liberal*, on the 11th of August last, at the mouth of the Putumayo, I fulfilled the pleasant duty of making you acquainted, as you will remember, with the object of my journey to the zone watered by the said river and its affluents, the Igaraparana and the Caraparana, and proposed to you at the same time that, in accordance with instructions from the Lima chancellery, we should sign statements in the places that we should visit, in order to place on record the information and the impressions that we might gather there.

You will also recollect that I put into your hands a copy of the dispatch, dated the 2d of the said month of August, in which the acting prefect of this department, Don E. Castaneda, transmitted to me exact and precise particulars which demonstrate conclusively that the Government of Peru calls into action all the lawful means compatible with its attributions to bring to order the situation in the extensive zone referred to, and in which the Peruvian Amazon Co. (Ltd.), an enterprise registered in London, but which does not yet enjoy definitive titles of possession to the lands which it there exploits, carries on the greater part of its rubber business.

You will not have forgotten, either, that you both excused yourselves from accomplishing the formality of subscribing statements, on the ground that your commission was simply of a consular nature, unconnected with considerations of another kind, with the exception of that relating to the possibility of the establishment in those rivers of missions of Catholic priests for the purpose of teaching religion to the Indians. Mr. Michell was good enough to add that his visit to the Putumayo was in fulfillment of general instructions from his Government, which reached his consulate in March of the present year.

I do not doubt that you also bear in mind that in consequence of your declining to subscribe I expressed to you the satisfaction I should experience if, profiting by your visit to these rivers and in the exercise of your proved aptitude as sagacious and enlightened consular officers, you would do me the honor of transmitting to me any particulars, reference, or impression which you might consider conducive to the realization of the ends pursued by the Peruvian Government in sending me to the above-mentioned zone. I then said to you that the chancery at Lima and the whole of Peru would regard with legitimate satisfaction that the representatives of two countries so cultured and advanced as England and the United States should take the opportunity of affording us their collaboration in the righteous proposition of demonstrating to the world that if in reality excesses have been committed in the Putumayo the former system has been changed in a substantial manner and the whole of the public powers of Peru are being employed in the work of regeneration. Your word, which must be supposed to be exempt from prejudice, sincere and independent, was called to influence universal opinion, which, believing that that which belongs to an epoch now passed away is still the actual condition, is alarmed at the narratives put into circulation to-day by means of the press in the principal cities of the globe.

Lastly, you can not have forgotten that each time we arrived in one of the different sections worked by the Peruvian Amazon Co. (Ltd.) I repeated to you my request that you would be so good as to honor me with your valuable assistance to get light upon the facts and to adopt the means required by the circumstances, and I took care to explain to you with some insistence that in my capacity of special commissioner of the Government I had at my disposal the elements necessary to correct abuses and to remedy deficiencies.

Before Mr. Michell set out on his journey to the sections Argelia, Union, and Florida, in the Encanto, as Mr. Fuller was not accompanying him in his visits to those posts, I again begged him to grant me the favor of his intelligent and sagacious collaboration.

I can not entertain the least doubt that you have given your attention to my justifiable solicitude; first, because I am dealing with two officials who, by reason of their office and their humanitarian sentiments, can not be supposed to be indifferent to the lot of a considerable number of men, nor to the prestige of the nation in which they discharge their functions, and, secondly, because on various occasions they accompanied me in inquiring into the acts and practices relative to the system established by the Peruvian Amazon Co. (Ltd.) (examination of books, reading dispatches addressed to the managers at La Chorrera, El Encanto, etc.) and they did me the favor of expressing their opinion on the measures which I considered it proper to suggest in order to make definitive the effectiveness of the laws and to guarantee, in a permanent manner, the life, the rights, and the interests of all the inhabitants of the Putumayo.

The itinerary of the different journeys which were performed was that which you drew up, on your own initiative, with entire liberty, and considering only the distances and facilities for the marches as well as the means of river transportation which had to be reckoned with.

Señor Benito Lores, the special commissary of the region made, in concert with myself, the necessary arrangements for your most complete safety, as is proved by the fact that a picket of gendarmes accompanied us all the time.

So as to respect your liberty of action, we secured to you the enjoyment of the greatest independence in your investigations, without forgetting, however, that our most elementary duty as representatives of Peru in a territory under the national domination obliged us to note with careful attention what might be the particulars, the information, and the impressions you were gathering.

For the purpose of fixing up in a graphic form the general proof of your action in the rivers visited, I took with me a photographic artist, and I preserve reproductions of views, groups, and incidents of the tour, which it will be a pleasure to me to send to you shortly, knowing that they will be useful to you to accentuate the clearness of your reports.

During the time that you were in the zone to which I refer, you have been able to prove the correctness of the particulars transmitted by the prefect of the department of Loreto with regard to the persistent and active labor of the political, military, and judicial authorities of Peru to bring to order the situation of the Putumayo, both as concerns the full exercise of our sovereignty and as concerns the rule of our laws and administrative practices.

You have had occasion to observe the zeal and diligence displayed by the chief of staff of the fifth region, Lieut. Col. Don Antonio Castro, whom you met in La Chorrera. You have been witnesses of the energy and rapidity with which the special commissary, Señor Benito Lores, who accompanied you in your journey there and back, proceeds, bringing on the latter occasion, under his own direct supervision, five individuals against whom an order for preventive apprehension had been issued. You have had knowledge of the intervention which is the part of ordinary justice in the ventilation of matters within its competence, since I placed in the hands of Mr. Fuller, for him to read, the provisional deed executed before the justice of the peace resident at El Encanto, Señor Oscar Coloma Reborg, by Messrs. Josa and Arana and, finally, you have seen that in every part Peruvian gendarmes served you as guardians, you having on two occasions, at Ultimo Retiro and El Encanto amiably requested the aid of the said gendarmes for the better protection of your persons and your baggage.

I understand that a journey such as you have accomplished, without delaying more than a short time in each place, would not permit you to form a definite conception of some things, but I think, too, that the general impressions which you have received and the information acquired from books and documents of the company (such as the examination of the current accounts of the chiefs of sections and the perusal of the letter written by the Judge Dr. Romulo Paredes to Señor Juan A. Tizon, manager at La Chorrera) are sufficient to convey an approximate idea of the reality, and all the more as I am treating, as I said before, with officials of long experience, who have served in regions which have many points of contact or similarity with that of the Putumayo.

I remember in this connection that in conversation with Mr. Michell he repeated to me several times that the position of the Peruvian Indian in the Putumayo is much superior to the present position of the workmen of the Kongo, not to that which weighed upon them under the old system.

Further, there were presented to your intelligent and perspicacious observation facts and scenes, of which I preserve photographic testimony, which carry with themselves the resolution of many doubtful points: for example, that referring to the life and alimentation of the Indians. You have looked upon very considerable groups of the latter, even on multitudes amounting to more than 1,200, as in Occidente, and you must have been convinced that all that has been spread about with respect to their emaciation and bad nourishment is to-day a fable of the worst kind. Men of your enlightenment and clear-sightedness can not be presumed to accept, even as a remote hypothesis, that the aborigines of the Putumayo may be divided into two grand classes—one the starving and the lean, the anemic and extenuated; the other the vigorous and healthy. When one has seen the number of Indians—men, women, and children—that you and I have seen there is no right whatever to imagine that these radical and absurd differences exist.

Apart from the cordial and friendly manner in which the Indian addresses his superiors, the chiefs, and employees of sections, there is a particular which will not have escaped your observation and which can not be more significant: almost all the adult Indians are armed with carbines and shotguns, which they use for hunting wild animals and birds for food. What does this prove? That a reign of terror does not exist there at the present time, for it can not be conceived that arms would be given to a man who is dominated by threats and punishments to make him strong and stir him up to vengeance; added to which vengeance would be all the more easy as to-day the staff of white or civilized employees is very much reduced, in some sections not amounting to more than two or three individuals.

The picture presented to us by the Indians in the different aspects of their life, whether engaged in the industrial occupations or enjoying themselves in feasts and dances, the questions addressed to them on their position and their relations to their chiefs, and the state of the houses and fields which belong to them, as well as the examination of the books of the offices at Chorrera and Encanto and the communications which I have received from Señores Juan A. Tizon and Miguel S. Loayza, in charge of these factories, I consider justify me in forming the following conclusions:

1. The procedure employed to-day by the Peruvian Amazon Co. (Ltd.) complies with the twofold obligation to care for the lives and health of the natives who lend it their services and to stimulate their better expansion and development.

2. The Indians do not perform crushing labor nor labor which wastes their energies, seeing that the proportion of rubber extracted by each one of them annually does not amount to 150 kilos, the greater number of them extracting only 80 to 100 kilos, a very exiguous amount when it is remembered that any cauchero will extract 800 to 1,000 kilos in the same period of time.

3. The remuneration which the Indians receive for their work is much superior, according to what Mr. Michell declared, to that which is given to the working people of the Kongo, and exceeds by more than 20 centavos per kilo that which, according to the famous American writer, Mr. H. C. Pearson, the rubber makers of India, Java, etc., earn.

4. The labor demanded by the porterage of the rubber is lessened by various circumstances:

(*a*) The limitation of the weight of a load to 30 kilos.

(*b*) The limitation of a day's work to four hours.

(*c*) The good condition of the road's, above all for the Indian, who is accustomed to travel by almost inaccessible trails.

(*d*) The transport of the rubber for the more considerable distances by means of launches in the service of the company, the *Huitota, Callao, Veloz,* etc.

5. The Government of Peru takes care, perhaps going beyond the measure that the economic conditions of the country permit, to take to the Putumayo all the elements capable of contributing to the maintenance of the national sovereignty and the force of the laws, practices, and uses that regulate the public and private life of the Peruvian commonwealth.

In addressing you the present communication it was not only my desire to recall facts and circumstances which I conceive to be acceptable to you in your twofold character as consuls of two countries friendly to Peru and as men of noble sentiments, but it was also my intention to carry out my offer to hand to you the documents [1] and particulars which I have the honor to annex hereto, viz:

Copy of the dispatch of the acting prefect of this Department to which I refer at the beginning of this communication.

Ditto of the notes which I exchanged with Señores Juan A. Tizon and Miguel S. Loayza, managers at Chorrera and Encanto, respectively, on the organization and plans for reform in the zones which are under their care.

Statistical tables showing the number of Indians at work in the Putumayo and its affluents, the tribes to which they belong, the quantity of rubber they extract, and the remuneration they receive.

Copy of the letter addressed by the judge, Dr. Romulo Paredes, to Señor Tizon, dated July 4, 1911, in which assurance is made by that severe magistrate that the system has changed in a radical manner, with visible good effect for the natives.

I am convinced that you must receive favorably the information and documents above mentioned, and I will not conclude without repeating to you my request that you will be so good as to grant me the valuable assistance of your ideas and your observations so far as you think would contribute to the satisfaction of the aspirations of Peru in the desire to completely normalize the position of the territory which we have just traveled over, and in which it has been such an honor to me to enjoy your interesting and enlightened company.

I avail [etc.]

C. Rey de Castro.

File No. 823.5048/132.

The British Ambassador to the Secretary of State.

No. 29.] British Embassy,
Washington, February 6, 1913.

Sir: With reference to previous correspondence relative to the Putumayo atrocities, I have the honour to transmit to you, herewith, two copies of a despatch from His Majesty's Consul at Iquitos reporting on the recent visit to the Putumayo district, which he carried

[1] Not printed.

out in the company of the United States Consul, Mr. James Fuller.[1]

In communicating this report to you I am to ask you to be so good as to furnish His Majesty's Government with a copy of Mr. Fuller's report on the visit and to favor me with the expression of your views on the general question and on the action which the two Governments should or can now take.

I am also to inform you that in the opinion of His Majesty's Government the Peruvian Government should be given an opportunity of offering any observations they may desire to make on the reports of the two Consuls before these reports are published.

I have [etc.]

JAMES BRYCE.

File No. 823.5048/132.

The Secretary of State to the Ambassador of Great Britain.

No. 1774.] DEPARTMENT OF STATE,
Washington, February 25, 1913.

EXCELLENCY: I have the honor to acknowledge, with thanks, the receipt of your excellency's note No. 29, of the 6th instant, enclosing two copies of a despatch from His Majesty's Consul at Iquitos, reporting on the labor conditions in the Putumayo region.

In accordance with your excellency's request for a copy of Consul Fuller's report on the same subject, I have the honor to enclose herewith duplicate copies of the correspondence on the Putumayo atrocities, submitted to the House of Representatives by the President on the 7th instant.

Before transmitting this correspondence to the President, the Department of State conferred with the Peruvian Minister, apprizing him of the general tone of Mr. Fuller's findings. Mr. Pezet thereafter described the measures recently adopted by the Peruvian Government with a view towards ending the mistreatment of the Putumayo Indians and made renewed assurances, on behalf of his Government, to the effect that it would henceforth rigorously inforce law and order throughout the rubber-producing district of Peru.

In your excellency's note under acknowledgment you were good enough to ask for an expression of my views regarding the Putumayo question and the action now called for thereon. In reply I may say that, in view of the vigorous policy apparently animating the present administration in Peru, the remoteness of the district and the attendant obstacles in the way of effective reform, I am of the opinion that any further action on the part of His Majesty's Government or of the American Government would appear inopportune, at least at the time being, inasmuch as it might be instrumental in stirring up public sentiment in Peru to such an extent as to hinder whatever real desire now exists there for bettering the conditions under which the Indians labor.

In passing, I should like to inquire whether or not you have any confirmation of the press reports stating that Mr. Arana is expected before long to arrive in England for the purpose of testifying be-

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[1] This inclosure is not printed here, being substantially the same as the report of the American Consul. (Despatch 33 of October 28, 1912.)

fore the Court of Inquiry, and what would be the attitude of His Majesty's Government towards a request from the Government of Peru for the surrender of Mr. Arana, under a request for his extradition, should he present himself on English territory.

With Mr. Pezet's consent I herewith enclose a copy of his note [1] herein referred to, as of possible interest to your excellency.

I have [etc.]

P. C. KNOX.

File No. 823.5048/144.

The British Ambassador to the Secretary of State.

BRITISH EMBASSY,
Washington, September 10, 1913.

MY DEAR MR. SECRETARY. On February 25 Mr. Knox forwarded to my predecessor a Congressional document containing, among other correspondence regarding the Putumayo question, the report of the American Consul at Iquitos, Mr. Fuller, on conditions in that region of Peru.

I need not recall to your mind the particulars of this question which has engrossed the attention of our two Governments for the last two years, but I have now been instructed by Sir E. Grey to inquire what conclusions you have arrived at in regard to Mr. Fuller's report.

I should therefore be much obliged if you could give me your views on the question and could indicate to me the policy which you think it best to adopt in the present position of affairs.

I am [etc.]

CECIL SPRING-RICE.

File No. 823.5048/144.

The Acting Secretary of State to the British Ambassador.

DEPARTMENT OF STATE,
Washington, September 18, 1913.

MY DEAR MR. AMBASSADOR: I beg to acknowledge the receipt of your personal note of the 10th instant, in which, with reference to previous correspondence, you recall to the Department's attention the desire of your Government to learn the views of that of the United States touching the report of the American Consul at Iquitos on conditions in that part of Peru.

In reply, I beg to say that the Department will communicate further with you on this subject in the near future.

I am [etc.]

JOHN E. OSBORNE.

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[1] Not printed.

PORTUGAL.

AMERICAN CITIZENSHIP OF PORTUGUESE-BORN CHILDREN OF NATIVE OR NATURALIZED AMERICAN FATHERS; DUAL CITIZENSHIP OF AMERICAN-BORN CHILDREN OF PORTUGUESE PARENTS; THEIR EXEMPTION FROM PORTUGUESE MILITARY SERVICE UNDER CERTAIN CONDITIONS. INTERPRETATIONS OF THE NATURALIZATION TREATY OF 1908 BETWEEN THE UNITED STATES AND PORTUGAL, THE 14TH AMENDMENT TO THE CONSTITUTION, AND SECTION 1993 OF THE REVISED STATUTES.

File No. 353.117R33.

The American Consul at St. Michael's, Azores, to the Secretary of State.

No. 721.] AMERICAN CONSULATE,
St. Michael's, October 17, 1912.

SIR: I have the honor to transmit herewith enclosed a copy of my despatch to the American Minister at Lisbon, together with an application for a Department passport, and a copy of the registration of Antonio Cabral Rezendes; and for the Department's consideration wish to state that the military authorities here take exception to my claim that a person, any person, born within the United States, or its territories, is an American citizen by birth, if they wish to claim it, and that no act of the parent can deprive the child of the rights given him by his birth.

It appears that young Rezendes, or Cabral as he is known here, returned to the Azores when about 15 months old, and contemplates returning to the United States within one year. The Military Commission at Nordeste, this island, have entered his name in the list for military service, and, notwithstanding he presented a document proving birth at New Bedford, Massachusetts, April 29, 1894, they took up this certificate and refused absolutely to return it to him. They also on two occasions refused to deliver it to me. However, after my conference with the Civil Governor and Colonel Pacheco, presiding officer of the Central Military Commission, referred to in my despatch to the Legation, and in response to a telegraphic request therefor, the certificate was returned today in registered mail, and it bears evidence of many erasures on its reverse side.

In my despatch to the Minister I have requested that appropriate action be taken to definitely settle the status here of American-born children, [as] it appears Portugal does not admit our claim that nativity establishes citizenship; and if this question might be definitely settled I am sure it will remove a cause of much friction. I also believe that it might be well to take up with Portugal the matter of children born in the Azores to naturalized American citizens, that their status may be established, for I am creditably [sic] informed—I hope to be able to forward the evidence in the near future—that the names of young men to whom I have issued emergency passports are still on their military enrollment list, and

they are considered refractories, to be punished should they ever return to the Azores; and, further, as refractories, their leaving the Azores puts a cloud on any real estate they may inherit.

The correspondence between this office and the island of San Jorge, Pico, Flores and Corvo is voluminous, and every mail brings letters beseeching me to issue some form of certificate in Portuguese that will satisfy the local military commission that their boys emigrated legally on American passports, and that they are American citizens under our laws.

I shall endeavor in the near future to present this matter to the Department with evidence showing the true situation here, and at that time will submit a form of certificate for the Department's consideration.

In closing I beg to state that in the case of Rezendes the matter does not come within the scope of the powers of the Civil Governor; it is a military condition, and were it not, there would be no necessity for this or my despatch to our Minister.

I have [etc.] E. A. CREEVEY.

[Inclosure.]

The American Consul at St. Michael's to the American Minister to Portugal.

No. 145.] AMERICAN CONSULATE,
St. Michael's, October 15, 1912.

SIR: I have the honor to invite your attention to the enclosed copy of the registration of Antonio Cabral Rezendes, and to advise you that I this day have accepted his application for a Department passport, as he intends to go to the United States within one year.

It appears that Rezendes was born at New Bedford, Massachusetts, of Portuguese parents, April 24, 1894, and since the fall of 1895 has resided in the district of Nordeste, this island. The Military Commission at Nordeste, it appears, have entered this boy's name on the list for military service, and did so notwithstanding the fact that the boy claimed American citizenship by birth and produced a copy of the church record, a certificate under the seal of St. John the Baptist Church and the signature of its pastor, Rev. Joaquim G. Cardozo.

During the month of August Rezendes appeared at this Consulate and requested registration as an American citizen, which was refused pending his identification and a document proving birth in the United States. He then alleged that his birth certificate was taken up and retained by the secretary of the Military Commission, and that he, the secretary, refused to return it to him. I then communicated with the secretary, Manuel Bento Pacheco, and requested the return of the certificate to this office, which request was politely refused. However, he did send a copy of it certified by the Commission's seal and his own signature; upon which I have recognized Rezendes as an American citizen. In the accompanying letter the secretary states that Antonio Cabral Rezendes—Antonio Cabral as he is known here—is considered a Portuguese citizen *by law* and that his name cannot be eliminated from the list.

Under date of October 4, 1912, I again communicated with this secretary and sent a letter of which the following is an exact copy[1], to wit:

SAN MIGUEL, AÇORES, *October 4, 1912.*

HIS EXCELLENCY MANUEL BENTO PACHECO,
Secretary of the Military Census Commission, Northeastern Council, San Miguel, Açores.

YOUR EXCELLENCY:

I have before me the kind note of your excellency, No. 48, under date of the 2d instant, relating to the case of Antonio Cabral, which note I read with great care and interest.

For your excellency's information permit me to say that one of the fundamental bases of the Constitution of the United States of America is that every and any individual who is born within the boundaries of the United States or their territories is an American citizen and as such is entitled to the most ample protection which my Government can

[1] A translation is substituted for the above-mentioned exact copy.

afford him, when he happens to ask for it. This basis of our Constitution is recognized internationally, including Portugal, both by the Monarchy and the Republic; and I, as a representative of the United States Government in the Azores, respectfully protest against the censusing of an American citizen to serve the Portuguese Republic against his will.

I have the honor to request your excellency, or whoever may consider it to be in his power, to return to this Consulate the original certificate referred to in your excellency's note; and on this same date I am summoning Antonio Cabral to report here.

By virtue of our laws Antonio Cabral has, until he arrives at the age of 21 years, the privilege of declaring his nationality; and if he makes a declaration in my presence that he desires to be recognized as an American citizen, and proves that he was born in the United States, a document will be issued to him recognizing him as an American citizen. Upon this document being presented to your excellency I hope that the name of Antonio Cabral will be eliminated from the list of military service.

I sincerely hope that this matter will be settled amicably, without the necessity of resorting to our Legation at Lisbon.

I have [etc.]

E. A. CREEVEY, *American Consul.*

to which he replied as follows:[1]

No. 49.] SERVICE OF THE REPUBLIC.

HIS EXCELLENCY THE U. S. CONSUL AT PONTA DELGADA:

I acknowledge the receipt of the letter which your excellency sent me under the date of the 4th instant, and in regard to the same I will inform you that as I have no authority under the law to do anything but authenticate the acts of the Commission of which I am secretary and take all the notes and information presented to me regarding the census service in order to submit them to the action of the said Commission, it is not within my legal powers to eliminate or enter any youth from the military census, this being the duty of the said Commission and the other authorities designated by the law.

I will furthermore inform your excellency that as such service in this district is in charge of his excellency the Head of the Recruiting District No. 26 with headquarters in this city, I am sending to him all the documents relating to the case of Antonio Cabral da Lomba da Feteira of the parish of Achada of this Council, with whom your excellency may reach an understanding in the matter.

Health and fraternity,

MANOEL BENTO PACHECO,
Secretary of the Commission.

HALL OF THE COMMISSION OF MILITARY CENSUS OF THE NORTHEASTERN COUNCIL, *October 11, 1912.*

At an informal conference this morning with his excellency the Civil Governor and Colonel Pacheco, it was very apparent that the Colonel felt that the Commission's action was supported by Portuguese law, and for that reason was unwilling to admit my claim that Rezendes is an American citizen and as such his name should be eliminated from their list. And the Colonel further stated that Rezendes had voluntarily asked that his name be entered, which statement I believe is open to argument.

After two hours examination of Rezendes I am satisfied the boy did not voluntarily ask that his name be put upon the list, although he did voluntarily call upon the secretary, when he made the claim of American citizenship and produced a copy of his birth record. However, it is immaterial whether he submitted voluntarily to a military examination or not. If he did, this cannot, it seems to me, be regarded as abandonment of citizenship. On the ground that he was born in the United States and has been identified and the secretary attest [sic] this fact, I maintain the young man is entitled to recognition as an American citizen and that his name should be eliminated from the military list; and further that his certificate of birth, being an American document, should be returned to him.

This matter is respectfully submitted for your consideration and appropriate action; and I cannot too strongly recommend that this entire matter be definitely settled. I shall appreciate being advised of the decision made in this case.

I have [etc.]

E. A. CREEVEY.

File No. 353.117R33.

The Acting Secretary of State to the American Consul at St. Michael's.

No. 325.] DEPARTMENT OF STATE,
Washington, November 7, 1912.

SIR: The Department has received your despatch No. 721 of the 17th ultimo, transmitting the passport application of Antonio

[1] A translation is substituted for the above-mentioned exact copy.

Cabral Rezendes, who has been called upon by the Portuguese authorities to perform military service. It appears that Mr. Rezendes was born at New Bedford, Massachusetts, April 24, 1894, of Portuguese parents, by whom he was taken in the following year to the Azores, where he has resided ever since. You do not say that his father had obtained naturalization as a citizen of the United States before his (the son's) birth, and it is presumed that he had not.

As Mr. Rezendes was born in this country he may be considered a citizen of the United States under the provision of the fourteenth amendment to the Constitution. A passport was therefore issued to him for use in returning to this country when he desires to do so, and it is enclosed herewith. Your attention is called to the provision of section three of article eighteen of the Portuguese Civil Code which provides that the following are Portuguese citizens:

> The children of a Portuguese father, even though he may have been banished from the Kingdom, or the illegitimate children of a Portuguese mother, even though they were born abroad, who become domiciled in the Kingdom, or who declare after becoming of age, or through their parents or guardians during minority, that they wish to become Portuguese citizens.

Under this law, which is similar to section 1993 of the Revised Statutes of the United States, Mr. Rezendes was born a Portuguese subject if his father had that status at the time of his (the son's) birth. Such being the case, he has a dual citizenship and this Government is not in a position to insist that he be relieved of the performance of military or other duties to the Portuguese Government so long as he remains within the Portuguese jurisdiction. For a discussion of cases of dual nationality, you are referred to Van Dyne's "Citizenship of the United States," pages 12 to 31.

In your despatch you also call attention to the cases of children born in the Azores of American citizens, and it appears to be your opinion that this Government may insist upon their recognition as American citizens by the Portuguese authorities. In connection with these cases, your attention is called to the provision of section two of article eighteen of the Portuguese Civil Code which provides that the following are Portuguese citizens:

> Those who are born in the Kingdom of a foreign father, who is not in the service of his country, unless they declare for themselves after becoming of age or through their parents or guardians during minority that they do not wish to become Portuguese citizens.

Your attention is also called to section 5 of the Citizenship Act of March 2, 1907, which provides as follows:

> That a child born without the United States of alien parents shall be deemed a citizen of the United States by virtue of the naturalization of or resumption of American citizenship by the parent: *Provided*, That such naturalization or resumption takes place during the minority of such child: *And provided further*, That the citizenship of such minor child shall begin at the time such minor child begins to reside permanently in the United States.

I am [etc.].

For Mr. Huntington Wilson:
WILBUR J. CARR.

File No. 353.117R33/1.

The American Consul at St. Michael's to the Secretary of State.

No. 765.] AMERICAN CONSULATE,
St. Michael's, February 27, 1913.

SIR: I have the honor to advert to the third paragraph of my despatch No. 721 of October 17, 1912, and in support of the claim that young men to whom I have issued emergency passports are considered refractories by the local military authorities I copy hereunder excerpts of despatch No. 650 dated December 4, 1912, and despatch No. 662 of the 6th instant, in full, from Mr. Moyses Benarus, our Consular Agent at Fayal, to wit:

(No. 650.) I have the honor to acknowledge the receipt of your letter No. 509 re status of children born in the Azores to American naturalized citizens, as well as copy of that No. 327 from the Department of State on the same subject for which I thank you. . . .

. . . As I have a similar case on hand, viz. that of the son of Manuel Souto Correia, Consular case No. 41.

Francisco Souto Correia, son of the above-named naturalized citizen, embarked from Fayal to the United States on the 13th day of June, 1911, with an American passport issued by you at my office on or about May 9, 1911, and visaed by me on the same date of issuance, and according to the complaint of his father made to me this day at my office, the said son is now on the list affixed at the door of church of his parish (Capello, Fayal) as a refractory and to pay the military tax.

It will be as well for me to say that Manuel Souto Correia, father of said Francisco Souto Correia, regularly claimed his said son before the Municipality of Horta in conformity with Section 18 of Portuguese Civil Code on September 22, 1908, and again made usual declaration of nationality on the 3d day of November of the same year. . .

I am receiving similar complaints every day from fathers and guardians of boys that have embarked to the United States with American passports until I am tired of the situation. . .

I would suggest that you make all these facts known to the American Minister in Lisbon for a final decision.

(No. 662.) I have the honor to acknowledge the receipt of your letter No. 529 of January 21st ultimo, with copy of that received from Francisco Alves Pereira, Calheta, Pico, and relative to the subject of military tax imposed on his sons Francisco and Domingos, now residing in the United States.

Responsive to same I have the honor to say that similar complaints are being brought into my office every day, until I really do not know which way to turn, because I am perfectly sure of the Portuguese law being in favor of all these lads; this most illegal imposition of making them pay the military tax (Rs. 3$000) and of considering them refractories is I believe a "skin" brought or made up by the military Junta and one that really has no reason to be, because it is in opposition to the Portuguese law as it stands now.

In my letter No. 650 of December 4, 1912, with a similar complaint, I suggested that you brought to the knowledge of the American Minister in Lisbon all these irregularities, pointing out to him the urgent necessity of these local military authorities (in Terceira and I believe Lisbon also) being instructed to act according to the Portuguese standing law and not according to their ideas as it seems.

I have consulted my lawyer on these cases, who in his turn studied the law on the subject, and am told by him that the imposition of payment of military tax and that of considering these lads refractories after their leaving the country with American passports is one that can not be.

In my letter No. 650 I suggested your sending me a certificate of nationality to be given to the father of this boy in order that with its presentation to the respective authority he might be remitted from the payment of tax.

I hesitate to make an exposition of the case to the respective authority (military of course) because of my doubt whether the same has to be made by

you as the superior consular officer in the Azores or by myself as your subordinate officer.

Such reclamation would have to be addressed, I believe, to the military headquarters at Terceira island.

The official notice enclosed appears to support our claim that young men born in the Azores of naturalized American citizens, who have gone to the United States on American passports, are considered refractories by the military authorities, particularly in the district of Horta. This district embraces the islands of Fayal, Pico, Flores and Corvo; from which islands come nearly all the complaints.

Francisco Alves Pereira, referred to in the accompanying Portuguese official notice,[1] is registered here as an American citizen; he registered October 7, 1911, and re-registered in 1912; therefore his registration is valid until October 7, 1913. He is residing here because of poor health. April 28, 1911, after satisfactorily overcoming the presumption of expatriation, I issued him emergency passport No. 433, and he went to the United States accompanied by his two sons Francisco and Domingos. Ill health forced him to return to the Azores, and he arrived here en route to Pico October 6, 1911. His two sons remained in the United States. Notwithstanding the fact that these boys legally embarked with Portuguese permission; that the father has met every Portuguese condition and is registered at Lages, Pico, as an American citizen, as may be seen by enclosure No. 2,[1] it appears his sons are considered refractories, and he required to pay 3$000 reis annually until the boys reach the age of 45 years. Failure to pay the assessment puts a cloud upon any real estate they may inherit.

I have instructed our Consular Agent at Horta, Mr. Pereira at Lages and many other citizens that this matter would be transmitted to the Department for consideration and appropriate reference; and I do so with the recommendation that the Consul here be authorized to issue certificates, without fee, in such cases covering facts of citizenship similar to Form No. 179——Consular.

I have [etc.] E. A. Creevey.

File No. 353.117R33/1.

The Acting Secretary of State to the American Consul at St. Michael's.

No. 345.] Department of State,
Washington, March 27, 1913.

Sir: The Department has received your despatch No. 765 of February 27, 1913, concerning the action of the officials in the Azores, especially in the district of Horta, in requiring military service, or imposing fines in lieu thereof, in cases of persons born in the Azores whose fathers, also natives of the Azores, had previously obtained naturalization as citizens of the United States.

I enclose herewith, for your information, a copy of an instruction of this day to the Legation at Lisbon concerning the matter.[2]

I am [etc.]

For Mr. Adee, Acting Secretary:
Wilbur J. Carr.

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[1] Not printed.

[2] See the next paper.

File No. 353.117R33/1.

The Acting Secretary of State to the American Minister.

No. 29.] DEPARTMENT OF STATE,
Washington, March 27, 1913.

SIR: The Department sends you herewith a copy of a despatch No. 765, of February 27, 1913, from the Consul at St. Michael's, Azores, concerning the action of the officials in the Azores, especially in the district of Horta, in requiring military service, or imposing fines in lieu thereof, in cases of persons born in the Azores, whose fathers, also natives of the Azores, had previously obtained naturalization as citizens of the United States.

You will please take this matter up with the Portuguese Government and call attention to the bearing of the following provisions of article one of the naturalization treaty of 1908 between the United States and Portugal and section 1993 of the Revised Statutes of the United States.

Article 1. Subjects of Portugal who become naturalized citizens of the United States of America and shall have resided uninterruptedly within the United States five years shall be held by Portugal to be American citizens and shall be treated as such.

Section 1993 R. S. All children heretofore born or hereafter born out of the limits and jurisdiction of the United States, whose fathers were or may be at the time of their birth citizens thereof, are declared to be citizens of the United States; but the rights of citizenship shall not descend to children whose fathers never resided in the United States.

Under the provision of law just quoted, which corresponds with article eighteen, section three, of the Portuguese Civil Code, the persons referred to are born citizens of the United States, and come within the purview of section six of the Citizenship Act of March 2, 1907, which provides as follows:

SEC. 6. That all children born outside the limits of the United States who are citizens thereof in accordance with the provisions of section nineteen hundred and ninety-three of the Revised Statutes of the United States and who continue to reside outside the United States shall, in order to receive the protection of this Government, be required upon reaching the age of eighteen years to record at an American consulate their intention to become residents and remain citizens of the United States and shall be further required to take the oath of allegiance to the United States upon attaining their majority.

You will please ask the Portuguese Government to instruct the officials in the Azores to recognize as American citizens persons born in the Azores of American fathers, native or naturalized, unless, having reached the age of eighteen years, they have failed to make the declaration of intention to retain American citizenship required by section six of the Expatriation Act of March 2, 1907, or, having reached the age of twenty-one years, have failed to take the oath of allegiance to the United States as required by the same law.

I am [etc.]

ALVEY A. ADEE.

File No. 353.117R33/2.

The American Chargé d'Affaires to the Secretary of State.

[Extract.]

No. 108.] AMERICAN LEGATION,
Lisbon, April 22, 1913.

SIR: Referring to instruction No. 29 of March 27, 1913, concerning the action of Portuguese officials in the Azores in attempting to impose military obligations upon American citizens, I have the honor to inform you that I had an audience with the Minister for Foreign Affairs, during which I related to him the substance of that instruction and its enclosed report from the Consul at St. Michael's. At the conclusion of this conversation I left with the Minister for Foreign Affairs an aide mémoire, a copy of which is herewith enclosed. * * * If, after a month's time, report is made to the Department by the Consuls that the condition of affairs in the Azores has not been corrected, I have the honor to request that the Department thereupon notify me of that fact.

I have [etc.]

WM. WHITING ANDREWS.

[Inclosure.]

The American Minister to the Minister for Foreign Affairs.

AIDE MÉMOIRE.

In conversation with his excellency the Minister for Foreign Affairs, the American Chargé d'Affaires ad interim had the honor to call the attention of his excellency to certain actions on the part of Portuguese military officials in the Azores Islands, especially in the District of Horta, in requiring military service or imposing fines in lieu thereof, in cases of persons born in the Azores whose fathers, also natives of the Azores, had previously obtained naturalization as citizens of the United States and who are American citizens.

In this connection the Chargé d'Affaires called attention to the fact that such action on the part of the Portuguese officials was contrary to the following provisions of Article 1, of the Naturalization Treaty of 1908 between Portugal and the United States, reading as follows:

Article 1. Subjects of Portugal who become naturalized citizens of the United States of America and shall have resided uninterruptedly within the United States five years shall be held by Portugal to be American citizens and shall be treated as such.

and to Section 1993 of the Revised Statute of the United States as follows:

Section 1993, R. S. All children heretofore born or hereafter born out of the limits and jurisdiction of the United States, whose fathers were or may be at the time of their birth citizens thereof, are declared to be citizens of the United States; but the rights of citizenship shall not descend to children whose fathers never resided in the United States.

Under the provision of law just quoted, which corresponds with Article Eighteen, Section Three of the Portuguese Civil Code, the persons referred to are born citizens of the United States, and come within the purview of Section Six of the Citizenship Act of March 2, 1907, which provides as follows:

Section 6. That all children born outside the limits of the United States who are citizens thereof in accordance with the provisions of Section Nineteen Hundred and Ninety Three of the Revised Statutes of the United States and who continue to reside outside the United States shall, in order to receive the protection of this Government, be required upon reaching the age of eighteen years to record at an American consulate their intention to become residents and remain citizens of the United States and shall be further required to take the oath of allegiance to the United States upon attaining their majority.

The Chargé d'Affaires had the honor to ask his excellency the Minister for Foreign Affairs that the Portuguese Government instruct the officials in the Azores to recognize as American citizens persons born in the Azores of American fathers, native or naturalized, unless, having reached the age of eighteen years,

they have failed to make the declaration of intention to retain American citizenship required by Section Six of the Expatriation Act of March 2, 1907, or, having reached the age of twenty-one years, have failed to take the oath of allegiance to the United States as required by the same law.

To illustrate, the Chargé quoted the following specific instances where Portuguese officials had acted in contravention of the Convention between the Government of Portugal and the Government of the United States. The case of Francisco Souto Correia, son of Manuel Souto Correia, in the municipality of Horta, who, notwithstanding that his father was a duly naturalized citizen of the United States, and he himself duly registered at the Consulate as an American citizen, has had his name affixed to the door of the church of his parish (Capello, Fayal) as a refractory and under the obligation to pay the military tax. The cases of Francisco and Domingos Pereira, sons of Francisco Alves Pereira, of Calhita, Pico, also American citizens and now residing in the United States, upon whom the military tax has been imposed.

The Chargé stated that the American consular representatives have reported to the American Government that similar complaints are continually being brought into their offices and that there is reason to believe that the local military officials are imposing the military tax, claiming these American citizens as Portuguese refractories, with insincere intent, since they must know well that their action is in opposition to Portuguese law as it now stands.

The two cases above quoted are quoted as examples, being typical of many other complaints which the American Government has received from its consular representatives, most of these abuses being reported as taking place in the district of Horta, embracing the islands of Fayal, Pico, Flores and Corvo.

In concluding the conversation with his excellency, the Chargé d'Affaires had the honor to ask on behalf of the American Government that instructions may be sent by the Portuguese Government to the proper officials in the Azores Islands to the end that such officials shall recognize as American citizens those persons defined to be such under the provisions of the Treaty between the Portuguese and American Governments, thus putting an end to the troubles mentioned.

AMERICAN LEGATION.
Lisbon, April 19, 1913.

File No. 353.117R33/2.

The Secretary of State to the American Consul at St. Michael's.

No. 350.] DEPARTMENT OF STATE,
Washington, May 7, 1913.

SIR: Referring to your despatch No. 721 of October 17, 1912, and to previous [subsequent?] correspondence concerning the action of the Portuguese officials in the Azores in attempting to impose military obligations upon certain American citizens, I enclose herewith for your information a copy of a despatch No. 108 of April 22, 1913, from the Legation at Lisbon, setting forth the substance of the Chargé d'Affaires' interview with the Minister for Foreign Affairs upon this subject.

I am [etc.], For the Secretary of State:
WILBUR J. CARR.

File No. 353.117R33/3.

The American Consulate at St. Michael's to the Secretary of State.[1]

No. 806.] AMERICAN CONSULATE,
St. Michael's, July 16, 1913.

SIR: I have the honor to advert to my despatch No. 721 of October 17, 1912, and the Department's reply thereto dated May 7, 1913, en-

[1] Acknowledged August 1, 1913.

closing a copy of a despatch No. 108 of April 22, 1913, from the Legation at Lisbon, setting forth the substance of the Chargé d'Affaires' interview with the Minister for Foreign Affairs, upon the subject of Portuguese officials in the Azores attempting to impose military obligations upon certain American citizens.

I note what is written in the despatch from the Legation at Lisbon, particularly the paragraph requesting a report if the evils complained of are not corrected, et cetera.

In our mail from the islands to-day there are a number of complaints and petitions for some form of document or certificate over my seal and signature by which they can prove their boys are American citizens. Two of the cases are from the island of Flores. One Felipe de Mendonça (Consular case No. 377) complains that the authorities have posted his son's name on the church door, and he is to be fined if the boy does not report for inspection. This boy, João Felipe de Mendonça, embarked on emergency passport No. 546, issued to him September 17, 1911, and has fixed permanent residence in Marin County, California. The second case from Flores is from José Pimentel Braz. Mr. Braz was born in the United States and his case was reported to the Department in despatch No. 575 dated July 20, 1911.

These complaints appear to indicate that the authorities at Flores are still active in imposing fines on boys we recognize as American citizens, and I am reporting the matter for consideration and appropriate reference.

I have [etc.]

E. A. Creevey,

File No. 353.117R33/5.

The American Chargé d'Affaires to the Secretary of State.

No. 133.] American Legation,
Lisbon, August 2, 1913.

Sir: In the matter of the alleged abuses of American citizens in the Azores Islands by Portuguese military officials, so frequently reported by Consul Creevey and referred to in my despatches of April 22 and July 25 [1] last, I have the honor to enclose herewith a copy and translation of a note received from the Foreign Office this day.

As the Portuguese Government have taken this question seriously under consideration and have presented seemingly a very courteous exposition of the Portuguese view of the matter, I beg to bring this note particularly to your attention.

I have [etc.]

Wm. Whiting Andrews.

[Inclosure—Translation.]

The Minister for Foreign Affairs to the American Chargé d'Affaires.

Foreign Office,
Lisbon, August 2, 1913.

Monsieur le Chargé d'Affaires: I did not delay to inform my colleague the Minister of War of what you told me in our conversation of last April, and

[1] Not printed.

which is stated in your memorandum of the 19th of that month, in regard to the claims of young men listed for military service in the Azores who allege themselves to be American citizens. The Minister of War, in his turn, has given instructions to the military authorities of the Islands to carefully observe the legal provisions which exclude foreigners from enlistment, and also to furnish all possible information upon cases specifically pointed out by you. These orders have just been repeated in view of your note of July 21. So soon as the complete information requested arrives and has been carefully examined I shall inform you of the result. Meanwhile the Ministry of War has furnished me information which I deem useful to transmit to you.

In the first place, one must distinguish between claims presented to the consular agents of the United States by young men who claim to be exempt from military service and those of young men who really have a right not to be included in the enlistment because of being de facto foreign citizens. Many of those who complain do so without any right to do so according to the Treaty of 1908, and the military authorities believe that frequently the consuls of the United States, by themselves looking into the complaints which the young men present them, would be able to recognize their non-validity. Again, the consular complaints would not be necessary if the young men would have recourse to the Ministry of War, which the law grants them, where the questions of nationality are scrupulously examined. As regards this aspect of the question, if you would find it convenient to send instructions to the consular agents, your subordinates, they might be of much use.

I desire also to call your attention to another point which needs a practical solution, and this is that there is a divergence between Portuguese laws and American laws. The latter, as I see from your statement, regards as American the sons of citizens of the United States, born abroad, who make a declaration before the consulate of the country to which their parents belong. Portuguese law recognizes as foreigners the sons of foreigners born in Portugal who make a declaration to this effect before the municipality of their place of residence. So an individual born of an American father, in Portuguese territory, is held by the Government of the United States to be an American citizen from the time he has made the consular declaration, but continues to be considered Portuguese by the Government of the territory so long as the declaration has not been made at the municipality.

It does not seem to me difficult for the Governments of Washington and Lisbon to come to some definite understanding on this point. But while they do not do so, the consular authorities of the United States doubtless might aid greatly in the solution of the difficulty and in the interest of the young men by making known to the young men who present themselves to make the declaration required by the American law that they must observe before the Portuguese municipality the formality which the law of the territory prescribes.

Animated, as the two Governments are, by a spirit of cordiality, I do not see that this practice can offer difficulty. As regards the young men, they also can suffer no inconvenience from obeying that suggestion, providing they are acting in good faith.

I beg you will kindly inform me of your opinion in this respect. As a proof of friendly sentiments and while awaiting your reply, the Minister of War has recommended that the declarations made before the consuls may be considered, provisionally and temporarily, valid.

I avail [etc.]

ANTONIO MACIEIRA.

File No. 353.117R33/6.

The American Chargé d'Affaires to the Secretary of State.

No. 136.] AMERICAN LEGATION,
Lisbon, September 5, 1913.

SIR: Referring to Department's instruction No. 29 of March 27, 1913, in regard to certain American citizens in the Azores Islands in trouble with the Portuguese military authorities as alleged refrac-

tories, I have the honor to enclose herewith a copy of a note with translation, received from the Foreign Office informing me that the cases of Francisco do Souto Correia and Francisco and Domingos Pereira have been decided in their favor.

It should be observed that in this present Foreign Office note reference is made to the note of August 2 and to the suggestions there made with respect to American citizens and Portuguese service in the Azores.

In acknowledging the present Foreign Office note I expressed appreciation for the favorable decisions. In the case of Correia it seems to have been considerably a matter of good will toward the United States.

I have [etc.]

WM. WHITING ANDREWS.

[Inclosure—Translation.]

The Minister for Foreign Affairs to the American Chargé d'Affaires.

FOREIGN OFFICE,
Lisbon, September 2, 1913.

MR. CHARGÉ D' AFFAIRES: In my note of the 2d of last month, I had the honor to state to you the circumstances of some of the claims presented to the authorities in the Azores in regard to military enlistment, and I called attention, on the one hand, to the fact that many of the complaints received by the American Consuls residing there are without any basis under the terms of the treaty of May 7, 1908; and that, on the other hand, a large number of young men regarded as Americans by United States law would be spared much inconvenience if in due time they were led to make before the proper municipality the declaration prescribed by Portuguese law.

In your memorandum of April 19th, which summed up the conversations you had with me on the subject, you cited the cases of Francisco do Souto Correia and Francisco and Domingos Pereira. As I informed you in my note of August 2d, the Ministry of War gave the necessary orders in order that these cases should be specially looked into, and I am now prepared to speak of them. The claim of Francisco and Domingos Pereira was attended to, as I am informed by the military commander of the Azores. With respect to Fransisco do Souto Correia the necessary instructions were sent from Lisbon for him also to be eliminated from military enlistment, but the circumstances of his claim counsel me to call them to your attention.

The father of Francisco Correia was naturalized an American on May 12, 1887, and he declared before the municipality of the district of Horta that his son had chosen American nationality. When he made this declaration, however, he had lived at Fayal over nine years, having consequently lost his new nationality under the terms of Article 3 of the Treaty of 1908. In the strict interpretation of the applicable provisions of the treaty, Francisco Correia is an American, and orders have been given for him to be so considered. But certainly you will agree that the claim presented by this young man was of a nature to justify the doubts of the authorities in the Azores, and all the more inasmuch as the complainants have the right to appeal to the Ministry of War, where with greater authority definite resolutions may be adopted.

In expressing to you the satisfaction the Government of the Republic feels in giving a favorable solution to the cases specially cited in your memorandum of April 19th, I beg to thank you for the kind expressions with which you acknowledged my note of August 2d, and its suggestions I trust will be cordially received by the American Government.

I avail [etc.]

ANTONIO MACIEIRA.

File No. 353.117R33/5.

The Acting Secretary of State to the American Consul at St. Michael's.

No. 368.] DEPARTMENT OF STATE,
Washington, September 18, 1913.

SIR: With reference to your despatch No. 721 of October 17, 1912, and other correspondence concerning the summoning for military service in the Azores of sons of naturalized citizens of this country, the Department sends you herewith a copy of despatch No. 133, of August 2, 1913, from the Chargé d'Affaires at Lisbon, together with a copy of its enclosure: a translation of a note of August 2, 1913, from the Portuguese Foreign Office. Your special attention is called to the statement in the note that "the consular authorities of the United States might aid greatly in the solution of the difficulty, and in the interest of the young men, by making known to the young men who present themselves to make the declaration required by the American law that they must observe before the Portuguese municipality the formality which the law of the territory prescribes." The Department desires that you follow this suggestion as far as possible.

I am [etc.]

For the Acting Secretary of State:
WILBUR J. CARR.

File No. 353.117R33/5.

The Acting Secretary of State to the American Chargé d'Affaires.

No. 41.] DEPARTMENT OF STATE,
Washington, September 18, 1913.

SIR: The Department has received your despatch No. 133, of August 2, 1913, transmitting a copy and translation of a note of August 2, 1913, from the Portuguese Foreign Office concerning the summoning for military services in the Azores of the sons of naturalized citizens of the United States.

Copies of your despatch and the translation mentioned have this day been sent to the Consul at St. Michael's, whose especial attention has been called to the statement in the note that "the consular authorities of the United States might aid greatly in the solution of the difficulty, and in the interest of the young men, by making known to the young men who present themselves to make the declaration required by the American law that they must observe before the Portuguese municipality the formality which the law of the territory prescribes." The Consul was told to follow this suggestion as far as possible.

I am [etc.]

JOHN E. OSBORNE.

File No. 353.117R33/6.

The Secretary of State to the American Chargé d'Affaires.

No. 43.] DEPARTMENT OF STATE,
Washington, September 26, 1913.

SIR: The Department has received your despatch No. 136, of September 5, 1913, reporting that the Portuguese Foreign Office has decided the citizenship cases of Francisco do Souto Correia and Francisco and Domingos Pereira, natives of the Azores who claim American citizenship, in their favor and that they have been released from the obligations of military service.

The Department is gratified at the satisfactory result of the Legation's efforts in behalf of these men.

I am [etc.]

For the Secretary of State:
ALVEY A. ADEE.

SALVADOR.

ASSASSINATION OF THE PRESIDENT OF SALVADOR, MANUEL E. ARAÚJO, AND SUCCESSION OF CARLOS MELÉNDEZ TO THE PRESIDENCY.

File No. 816.001Ar1.

The American Minister to the Secretary of State.

[Telegram—Extract.]

AMERICAN LEGATION,
San Salvador, February 5, 1913.

At half past nine last night while President Araújo was seated in the Parque Bolívar attending a serenade an infamous attack upon his life was made by about five unknown individuals who fired five shots at him and one of the men inflicted upon him a terrible wound with a machete. * * * I called at the Presidential Mansion at eight o'clock this morning and was present while the surgeons were stitching the wound. * * * The surgeons informed me that while the wound is very serious it is not necessarily fatal and they entertain hopes of saving the President's life. * * * Complete tranquility reigns throughout the Republic and this murderous attack is thought to have no other significance than to remove President Araújo. By a Presidential decree issued today martial law has been declared throughout the Republic of Salvador. * * *

HEIMKE.

File No. 816.001Ar1.

The President to the President of Salvador.

[Telegram.]

THE WHITE HOUSE,
Washington, February 6, 1913.

I am shocked to learn of the dastardly attempt on Your Excellency's life and hasten to express the hope of this Government and my personal earnest wish for your speedy recovery.

WILLIAM HOWARD TAFT.

File No. 816.001Ar1.

The Secretary of State to the President of Salvador.

[Telegram.]

DEPARTMENT OF STATE,
Washington, February 6, 1913.

It is with deepest regret and indignation that Mrs. Knox and myself learned of the cowardly attempt upon the life of Your Excel-

lency by assassins and beg to assure you and Señora Araújo of our earnest hope for Your Excellency's speedy recovery.

P. C. KNOX.

File No. 816.001Ar1/3.

The President of Salvador to the President.

[Telegram—Translation.]

SAN SALVADOR, *February 7, 1913.*

I sincerely thank you for your kind message and send Your Excellency my best thanks for your expression of sympathy in the criminal attempt. Out of danger. I assure you of my friendship.

PRESIDENTE ARAÚJO.

File No. 816.001Ar1/1.

The President of Salvador to the Secretary of State.

[Telegram—Translation.]

SAN SALVADOR, *February 7, 1913.*

I express to you my gratitude. On road to recovery. Greetings to your excellency and your wife. [Your] friend,

PRESIDENTE ARAÚJO.

File No. 816.001Ar1/2.

The American Minister to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
San Salvador, February 9, 1913.

President Araújo died at half past four o'clock this afternoon. The Presidential Power has been vested in Señor Carlos Meléndez, the First Substitute.

HEIMKE.

File No. 816.001Ar1/2.

The President to the Acting President of Salvador.

[Telegram.]

THE WHITE HOUSE,
Washington, February 10, 1913.

I am deeply grieved to learn of the death of His Excellency the President of Salvador and send to you and to the Government and people of Salvador the sincere sympathy of this Government and the citizens of the United States and our condolences in the national loss sustained by your country.

Please convey to Señora de Araújo the personal sympathy of Mrs. Taft and myself.

WM. H. TAFT.

File No. 816.001Ar1/2.

The Secretary of State to Señora de Araújo.

[Telegram.]

DEPARTMENT OF STATE,
Washington, February 10, 1913.

Mrs. Knox and I join in extending to you our heartfelt sympathy in this great loss which you have been called upon to suffer in the lamentable death of your distinguished husband.

P. C. KNOX.

File No. 816.001Ar1/2.

The Secretary of State to the American Minister.

[Telegram.]

DEPARTMENT OF STATE,
Washington, February 10, 1913.

The President has sent to the Acting President of Salvador the following telegram: [See supra.]

You will supplement this by an appropriate communication to the Foreign Office expressing the condolences of this Government and especially of myself.

KNOX.

File No. 816.001Ar1/11.

The American Minister to the Secretary of State.

No. 283.] AMERICAN LEGATION,
San Salvador, February 11, 1913.

SIR: Referring to the telegram of the Department dated February 10, repeating to me a telegram which the President has sent to the Acting President of Salvador, [etc.] I have the honor to transmit herewith a copy of the note which I addressed to the Minister for Foreign Affairs in compliance with the before-mentioned instruction of the Department.

I have [etc.] WM. HEIMKE.

[Inclosure.]

The American Minister to the Minister for Foreign Affairs.

AMERICAN LEGATION,
San Salvador, February 11, 1913.

MR. MINISTER: I have the honor to advise your excellency that I am in receipt of a cablegram from the Secretary of State, dated Washington, D. C., February 10, 1913, directing me to express to the Government of Salvador the grief with which the Government of the United States has received the news of the pathetic death of His Excellency the President of Salvador, Doctor Manuel Enrique Araújo, and to offer your excellency's Government and the people of Salvador, in this hour of their national lamentation the condolences of my Government, and particularly those of Mr. Philander C. Knox, Secretary of State of the United States.

I avail [etc.] WILLIAM HEIMKE.

File No. 816.001Ar1/4.

The Minister of Salvador to the Secretary of State.

[Translation.]

LEGATION OF SALVADOR,
Washington, February 12, 1913.

EXCELLENCY: I have the sorrow to inform your excellency that His Excellency Doctor Manuel E. Araújo, President of Salvador, died in the capital of the Republic at half past four on Sunday afternoon, the 9th of February, 1913. I also have the honor to apprize your excellency that Don Carlos Meléndez, First Designado for the Presidency, has assumed the Executive Power.

I renew [etc.] F. MEJÍA.

File No. 816.001Ar1/5.

The President of Salvador to the President.

[Telegram.]

SAN SALVADOR, *February 13, 1913.*

May Your Excellency deign to accept the expression of cordial sincere gratitude of the Government and people of Salvador for your noble evidence of sympathy at this time of so great sorrow to our country.

PRESIDENTE MELÉNDEZ.

File No. 816.001Ar1/4.

The Secretary of State to the Minister of Salvador.

No. 36] DEPARTMENT OF STATE,
Washington, February 15, 1913.

SIR: I have the honor to acknowledge the receipt of your note of the 12th instant by which you communicate to me officially the sad information of the death at San Salvador at 4.30 p. m., on Sunday, the 9th of February, 1913, of His Excellency Dr. Manuel E. Araújo, President of Salvador, and apprise me at the same time that Don Carlos Meléndez, First Designado for the Presidency, has assumed the Executive Power of the Republic.

The President, deeply grieved to learn from the American Minister at San Salvador of the death of the late President of Salvador, at once, on the 10th instant, conveyed by telegraph to Mr. Meléndez the expression of the sincere sympathy of this Government and the citizens of the United States, which the American Minister at San Salvador was by me instructed on the same day to supplement with an expression to the Minister for Foreign Affairs of my own condolence and sympathy.

To this I beg to add the assurance to you of the President's and my unqualified abhorrence of the dastardly crime perpetrated upon the person of the late President Araújo.

Accept [etc.] P. C. KNOX.

File No. 816.001Ar1/13.

The American Minister to the Secretary of State.

No. 285.] DEPARTMENT OF STATE,
Washington, February 15, 1913.

SIR: Referring to my despatch No. 283 of the 11th instant, forwarding a copy of a note [etc.] I have the honor to transmit herewith a copy and translation of a note from the Foreign Office, dated yesterday, thanking me for my before-mentioned note and requesting that I convey to the Government of the United States, and especially to the Secretary of State, the profound feelings of gratitude with which the Government of Salvador has received these manifestations of sympathy and grief on account of the irreparable loss which Salvador has suffered and which has so deeply afflicted this country.

I have [etc.]

WM. HEIMKE.

[Inclosure—Translation.]

The Minister for Foreign Affairs to the American Minister.

SAN SALVADOR, *February 14, 1913.*

MR. MINISTER: It is highly pleasing to me to acknowledge the receipt of your excellency's courteous communication dated the 11th instant, in which you kindly informed this Government that you have received a cablegram from his excellency the Secretary of State dated at Washington, D. C., the 10th instant, directing you to express to my Government the grief with which the Government of the United States has received the sad news of the death of the President, Doctor Manuel Enrique Araújo, and to offer in this hour of national sorrow the condolences of the Government and particularly those of his excellency Mr. Philander C. Knox, Secretary of State.

In reply, I have the honor to request your excellency to have the kindness to transmit to your illustrious Government and especially to his excellency the Secretary of State, the profound feeling of gratitude with which my Government receives these demonstrations of sympathy and grief on account of the irreparable loss which Salvador has suffered, and which has deeply afflicted us.

I assure [etc.]

R. ARRIETA ROSSI.

File No. 816.001Ar1/6.

The American Minister to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
San Salvador, February 18, 1913.

At nine o'clock yesterday morning after trial and conviction by a military court three of the assassins of President Araújo were publicly shot in the Campo de Marte in the presence of many thousand spectators.

The Government has informed me that perfect tranquility is reported to exist throughout Salvador and that the signs portend a long period of peace.

HEIMKE.

TURKEY.

WAR BETWEEN TURKEY AND MONTENEGRO, SERBIA, BULGARIA AND GREECE; TREATY OF PEACE SIGNED AT LONDON ON MAY 30, 1913. TREATY OF PEACE BETWEEN TURKEY AND BULGARIA SIGNED AT CONSTANTINOPLE ON SEPTEMBER 29, 1913, AND BETWEEN TURKEY AND GREECE, AT ATHENS, NOVEMBER 14, 1913.[1]

File No. 767.70/401.

The Chargé d'Affaires of Greece to the Secretary of State.

[Translation.]

No. 5516.] LEGATION OF GREECE,
Washington, June 3, 1913.

MR. SECRETARY OF STATE: I have the honor to inform your excellency that on the 30th instant peace was signed at London by the Bulgarian, Hellenic, Montenegrin and Serbian delegates on the one part, and on the other by the Ottoman delegates.

Under Article 1 of the treaty of peace there shall be, on and from the exchange of ratifications, peace and amnesty between the Allied Sovereigns and the Sultan, their States and their subjects.

Bulgaria alone has signed a protocol with Turkey whereby the treaty goes into effect immediately upon signature.

In bringing the foregoing to your excellency's attention, I seize the occasion [etc.].

A. VOUROS.

File No. 767.70/401.

The Secretary of State to the Chargé d'Affaires of Greece.

DEPARTMENT OF STATE,
Washington, June 7, 1913.

SIR: I beg to acknowledge receipt of the note under date of the 3d instant by which you were so good as to bring to the knowledge of the Department the fact that on May 30th a treaty of peace was signed at London by the Hellenic, Bulgarian, Montenegrin and Servian delegates, on the one part, and the Ottoman delegates on the other, by the terms of which there will be peace and amnesty between the allied Sovereigns and the Sultan, their states and their subjects, from the time of the exchange of ratifications.

I have noted also your statement that Bulgaria has separately signed a protocol with Turkey, in virtue of which this treaty goes into effect from the time of signature.

I am happy to express to you in behalf of this Government the gratification with which it has been learned that thus much has been accomplished towards the restoration of peace.

Accept [etc.].

For the Secretary of State:
J. B. MOORE.

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[1] Continued from For. Rel. 1912, pp. 1341–1354.

File No. 767.70/417.

The American Chargé d'Affaires to the Secretary of State.

[Telegram.]

THERAPIA, *September 30, 1913.*

Peace between Turkey and Bulgaria was signed here yesterday evening.

PHILIP.

File No. 767.70/430.

The American Chargé d'Affaires at Athens to the Secretary of State.

[Telegram.]

AMERICAN LEGATION,
Athens, November 14, 1913.

Turkish-Greek treaty signed today.

DE BILLIER.

SINKING OF THE STEAMSHIP TEXAS OF THE ARCHIPELAGO-AMERICAN LINE IN TURKISH WATERS BY TURKISH BATTERIES OR MINES. PROTEST OF THE UNITED STATES AGAINST REFUSAL OF THE TURKISH GOVERNMENT TO SURRENDER THE CAPTAIN THEREOF TO AMERICAN CONSULAR JURISDICTION.

File No. 367.114M69/117.

The American Ambassador to the Secretary of State.

[Telegrams.]

AMERICAN EMBASSY,
Pera, May 1, 1912.

The American Consul General at Smyrna, Horton, telegraphs that the steamer *Texas* of the Archipelago-American Steamship Company was sunk while leaving harbor about 6 p. m. on April 29. Several killed, many wounded; that according to evidence of survivors it would appear that the steamer was sunk by shore batteries. He suggests the presence of a competent naval officer. I will make recommendation when more fully advised. The captain of the *Texas* is presumably a Greek subject; Turkish authorities may proceed against him for criminal negligence and the loss of life of Ottoman subjects. In this connection I beg leave to call attention to the Embassy's despatch 342 of April 21, 1911,[1] in conformity with the conclusions of which we could not claim that such Greek subjects be tried in our consular court. Does the Department approve? See also my 109.[1]

ROCKHILL.

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[1] Not printed.

File No. 367.114M69/118.

AMERICAN EMBASSY,
Pera, May 3, 1912.

The Embassy can not arrive at a right comprehension of the facts from the telegrams of the Consul General, who renews urgent request for assistance of naval officer in making inquiry. I suggest that the Commander of the *Scorpion*, with whom I have consulted, and another member of the Embassy, if necessary, go to Smyrna for that purpose.

ROCKHILL.

File No. 367.114M69/118.

The Acting Secretary of State to the American Ambassador.

[Telegram.]

DEPARTMENT OF STATE,
Washington, May 3, 1912.

You may send the Commander of the *Scorpion* and a member of the Embassy to Smyrna to investigate *Texas* matter.

WILSON.

File No. 367.114M69/119.

The American Ambassador to the Secretary of State.

[Telegram—Extract.]

AMERICAN EMBASSY,
Pera, May 5, 1912.

The captain of the *Texas*, who is a Greek subject, has been arrested by the Turkish authorities; the Consul General has asked for his surrender. With the facts as submitted I do not see my way to support him, and have instructed him not to commit himself further until categorically instructed, but that he might, without bringing the point to an issue, inform the Governor General that he reserves all rights.

ROCKHILL.

File No. 367.114M69/119.

The Acting Secretary of State to the American Ambassador.

[Telegram.]

DEPARTMENT OF STATE,
Washington, May 8, 1912.

Your May 5. If the captain is held for an alleged offense connected with the sinking of the vessel, you will, pointing out that there is a diversity of reports regarding the sinking of the *Texas*, which was an American vessel flying the American flag, request that, pending determination of this question which is now under investigation by this Government, the Ottoman authorities surrender to the Consul General for his detention the captain of this American vessel. You will at the same time say to the Ottoman authorities

that this Government, upon determination of the questions now under investigation, will make such disposition in the matter as the facts, circumstances and principles involved may require, and specifically that should it for any sufficient reason appear that the captain should be turned over to the Ottoman authorities, he will be so surrendered. If the captain is held for an offense not connected with navigation of the vessel, and not committed on board vessel, you may take course you suggest, making reservation of all rights. Report character of offense charged.

WILSON.

File No. 367.114M69/130.

The American Ambassador to the Secretary of State.

[Extract.]

No. 193.] AMERICAN EMBASSY,
Constantinople, May 10, 1912.

SIR: In reference to my cablegram of May 1, announcing the sinking in the port of Smyrna on April 29 of the American steamship *Texas* belonging to the Archipelago American Steamship Company, I now have the honor to transmit herewith copies of the telegrams received by me from Consul General Horton and of those sent him by this Embassy[1] bearing on the subject down to the date of writing. * * *

I inclose also copy of the telegraphic instruction based on your cablegram of the 8th instant, which I have sent to the Consul General at Smyrna today.

I have [etc.] W. W. ROCKHILL.

[Inclosure—Telegram.]

The American Ambassador to the Consul General at Smyrna.

AMERICAN EMBASSY.
Constantinople, May 10, 1912.

Supplementing my telegram of yesterday, if the local authorities inform you in reply to your inquiry that the captain of the *Texas* is held for an alleged offense connected with sinking of vessel, you will, pointing out that diversity of report exists regarding the cause of sinking of *Texas* which was an American vessel flying the American flag, request that, pending determination of this question which is under investigation by you, the Ottoman authorities surrender to you for your detention the captain of this American vessel.

You will at the same time say to the Ottoman authorities that upon determination of the question now under investigation by you the Embassy will determine its future action. On receipt of the mailed report and reply to my telegram of yesterday I will take up the matter with the Foreign Office.

ROCKHILL.

File No. 367.114M69/132.

The American Consul General at Smyrna to the Secretary of State.

No. 23.] AMERICAN CONSULATE GENERAL,
Smyrna, May 10, 1912.

SIR: I have the honor to enclose herewith a memorandum on the subject of jurisdiction in the case of Spiro Macris, captain of the American ship *Texas*, recently sunk in the harbor of Smyrna.

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[1] Not printed.

The question is a serious one, involving the prestige of the Consulate, and one that will establish a precedent affecting generally the rights of foreigners in Turkey.

My colleagues the Russian and Belgian Consuls, who have steamship lines in their jurisdiction similar to the American Company, tell me that I am undoubtedly right in my views. I am not pressing my claim as I cannot enforce it without definite support.

Being on the ground here, however, I am in a position to inform the Department that though it may be unfortunate that these ships have acquired the right to carry the American flag, no middle course is now possible. Either some way must be found to take the flag off these ships or they must have full protection within the law. The fact that I have not insisted on taking over Captain Macris is already giving the impression here that American protection is a weak pillar to lean on. As I point out in my memorandum, it is hard to distinguish between ships "regularly documented" and others.

I have [etc.]

GEORGE HORTON.

[Inclosure 1.]

Memorandum as to the law concerning jurisdiction in the case of Spiro Macris, Captain of the American S. S. Texas.

On the 29th of April, 1912, the *Texas*, a ship of the American Archipelago Steamship Company, was sunk at the entrance of the Harbor of Smyrna, either by a shell fired from a shore battery or by a torpedo anchored in the bay.

It is certain that shells were fired from the shore battery; it is also claimed by the Turks that the harbor is mined, as a precaution against attacks by the Italians, there being now a state of war between Turkey and Italy.

The sinking of the *Texas* occurred about 6 o'clock in the evening, and this Consulate General immediately began an enquiry as to the causes and reasons.

The captain of the *Texas* was rescued from the water in a wounded and insensible condition and taken to the Greek hospital, an Ottoman institution, and put under strong police guard, the Turks claiming that he was the sole cause of the unfortunate incident.

It immediately appeared that various witnesses of the disaster were afraid to give their testimony to the Consulate; and the possession of the captain, a most important witness, by the Turkish authorities seemed likely to work detriment to the American interests involved. This Consulate General therefore notified the Vilayet that the crew of the vessel were temporarily under American protection and demanded that the captain be turned over to the American authorities. The Vilayet denied this request and replied by conducting the captain, with great show of military force, to the Ottoman hospital, where he was locked up in a room with criminals.

The Consulate General did not press its claim for the custody of the captain but has proceeded with great caution, awaiting definite instructions from the Embassy.

The action of the Turkish authorities is based upon two reasons:

1. They admit that a seaman takes his protection from the flag under which he serves; but they contend that, the vessel having been sunk, the reason for protection no longer exists.

2. They do not admit that the company in question is American.

In this second contention they come into sharp conflict with the American Government, which says that the company is American and has so notified its consular and diplomatic officers in Turkey. A copy of the Turkish Government's answer, with translation, is herewith enclosed.

As to the first point at issue, this Consulate General acted after careful study of the law and the facts, which it interprets as follows:

The ships of the American Steamship Company formerly belonged to a Turkish company; they were bought by Charles J. Missir, a naturalized American citizen, the transfer taking place before Mr. Harris, at that time our Consul General at Smyrna.

Charles Missir then organized the Archipelago American Steamship Company under the laws of the State of Maine, and sold out his interest to said company, taking stock in exchange. This stock he afterwards sold to Rufus W. Lane, a native-born American citizen, who now is president of the company and holds over ¾ of the shares. Thus more than 95 per cent of the entire stock is owned by American citizens.

These vessels are not vessels of the United States according to the provisions of the Revised Statutes of 1878, Section 4131 et seq.

According to Paragraph 341, however, of the Consular Regulations the right of citizens of the United States to acquire property in foreign ships is held to be a natural right, independent of statutory law; and according to Paragraph 347 of the same Regulations "the practice of carrying the flag by such vessels is now established". Paragraph 200 of the Consular Regulations states that: "It is held that the circumstance that the vessel is American is evidence that the seamen on board are also American, and that in every regularly documented merchant vessel the crew will find their protection in the flag that covers them." See also Paragraph 629, C. R.

The question now arises whether, in countries where extraterritoriality exists, it is possible to make a distinction between regularly documented American vessels and those which, having been bought by American citizens, have acquired the right to carry the flag.

A vessel owned by American citizens and flying the American flag becomes to all intents and purposes an American vessel, and the Government of the United States, in allowing the use of the flag, assumes certain responsibilities to those serving under it, the non-enforcement of which may result in loss of prestige for the flag itself. Foreign peoples cannot always distinguish between regularly documented vessels and others not so documented.

Hinckley, in "American Consular Jurisdiction in the Orient", says (page 87), "It is a rule, believed now to be generally accepted, that for purposes of protection a seaman, duly enrolled as a member of the crew of a merchant ship of a nationality different from his own, is to be regarded of the same nationality as the ship on which he serves"; and the John Ross case is cited. On page 88 of Hinckley is found the following footnote: "A foreigner, the master of an American-owned, unregistered American vessel, sailing under an American flag, and whose name was borne upon the ship's articles, was held to be under the jurisdiction of the American Consular Court at Kanagawa in 1886 for a crime committed in Japan." This is a precedent in all respects relevant.

In the present case of the *Texas* the captain was seized by the Ottoman authorities and imprisoned, for the reasons above given, who will probably try him on a criminal charge, and may convict him and sentence him to severe punishment. The Ottoman authorities recognize the principle that a seaman takes his protection from the flag that covers him, but attempt to evade it by a quibble, as seen above. As has been pointed out, the people of this region do not discriminate between "regularly documented" vessels and others, and failure of the American Government to demand the captain, who is a Greek subject, for trial in the American tribunals will be set down to weakness and will result in loss of prestige.

Wharton's "International Law Digest", vol. 1, page 808, states: "When, however, such an offender, being a member of the crew of an American vessel, is a subject or a citizen of a country having no treaty engagements on this question with China or Japan, or where the consul of the nation to which such person may belong shall decline to assume jurisdiction over him for the offence charged against him, it is the opinion of this Department that the consular officers of the United States may properly assume jurisdiction in the case." (Mr. Cadwalader, Acting Secretary of State, to Mr. Avery, No. 2, 1875.)

The records of this Consulate show that on several occasions the Turkish courts have sent citations to the American Consulate General for officers of the Archipelago American Steamship Company to appear before a Turkish tribunal. This Consulate has paid no attention to these citations, as the United States Government does not admit that an American citizen can be tried for a criminal offence by a Turkish court; but the fact of the citations proves that the Otto-

man courts acknowledge that these seamen take their protection from the American flag.

Henry Bonfils and Paul Fanchille, in the "Manuel de Droit International Public", page 400, section 601, state: "La nationalité d'un navire de commerce est fréquemment reconnue, pour l'oeil exercé des marins, par la forme extérieure même du navire, par son gréement ou par sa voiture; mais juridiquement elle n'est établié que par le pavillon et par les papiers de bord."

Indeed, what other means exists more inevitable for establishing the nationality of a ship than the flag which it carries? It should be observed that in cases concerning seamen on the vessels of the Archipelago American Steamship Company the Greek Consulate has invariably acknowledged the right of the American jurisdiction, and the Greeks have gone more deeply into these matters than any nation in the Near East.

In volume 6 of ".The Federal Statutes", edited by McMinney & Kemper, section 4612, we find a definition in point: "In the construction of this Title, every person having command of any vessel belonging to any citizen of the United States shall be deemed the master thereof; and every person (apprentices excepted) who shall be employed or engaged to serve in any capacity on board the same shall be deemed and taken to be a seaman."

In view of the above facts, I respectfully request that such action be taken at Constantinople as will induce the Sublime Porte to give the necessary orders to the authorities here to deliver over the Captain of the steamship *Texas* to the jurisdiction of the American Consular Court in this city.

Respectfully submitted.

GEORGE HORTON.

SMYRNA, TURKEY,
May 9, 1912.

[Inclosure 2—Translation.]

The Ministry for Foreign Affairs to the American Consul General at Smyrna.

VILAYET OF AIDIN,
MINISTRY FOR FOREIGN AFFAIRS,
May 4, 1912.

The present is in answer to the verbal note No. 476 of 2d May, 1912.[1] The formalities for the recognition as American, by the Ottoman Government, of the company to which the S. S. *Texas* belongs, have not yet come to a conclusion. Leaving this point aside, it is exclusively possible for the crew of a vessel to enjoy the protection of the flag the vessel flies, while they are in the vessel. By the fact that the vessel sank and her captain and crew have landed, they cannot enjoy the protection in question, and as they get back to their original nationality they should be acted upon accordingly. Although, as already stated above, the American nationality of the vessels of the Hadji Daout Company has not been accepted by the Government, nevertheless the investigation which you state is being conducted by the Consulate General will not be prevented, but the result of the investigation, no matter what it may be, will not be considered as official, by the local authorities, and this investigation will not affect the dispositions of the one which the Government has made.

[SEAL.]

File No. 367.114M69/122.

The American Ambassador to the Secretary of State.

[Telegrams.]

AMERICAN EMBASSY,
Pera, May 12, 1912.

Your telegram of May 8. The Consul General at Smyrna telegraphed me May 11 that the Governor General of Smyrna had in-

[1] Referred to in Mr. Rockhill's telegram of May 5.

formed him that the captain of the *Texas* was charged with having caused the sinking of the ship, resulting in the death of many persons, through disobeying regulations concerning navigation during war. The Consul General has requested delivery of the captain for his detention in accordance with your instructions to me. I have also made representations to the Foreign Office in the same sense[1] and asked it to supply me with certain data necessary to elucidation monetary [sic] facts. I have reserved all questions of importance, claims and jurisdiction.

ROCKHILL.

File No. 367.114M69/124.

AMERICAN EMBASSY,
Pera, May 13, 1912.

My telegram of May 12. In your cable of May 8 you directed that, should the charge be connected with the sinking, the surrender of the captain should be requested. These instructions were complied with, at the same time requesting chart and data necessary to establish the facts.[1]

While our right to protect the steamship company as an American corporation in all its civil and commercial affairs and litigation is clear, it is very doubtful that penal jurisdiction of American consuls can be extended to persons other than American citizens. The present case is not an action against the company for damages caused to passengers or others by the sinking of the vessel, but the beginning of prosecution against the person of a Greek subject charged with having caused the sinking of a merchant vessel in Ottoman territorial waters through disobeying regulations concerning navigation during war and resulting in the death of many persons of whom several were Turkish subjects. If it could be established or should it appear reasonably likely that the facts of the case are as stated by the Turkish authorities and that the charge is not trumped up, I cannot perceive how we can object to Ottoman jurisdiction.

The Minister for Foreign Affairs assured me today that the data I had asked for would be furnished. In case I am convinced that the data thus received justifies me, I will waive request for surrender of the captain, unless otherwise instructed. The Department can be sure that the Turkish Government will categorically deny our jurisdiction in the matter, and it has the advantage over us of its custody of the captain. Where our right is not clear it is better not to make the claim than to make it and then withdraw.

ROCKHILL.

File No. 367.114M69/125.

AMERICAN EMBASSY,
Pera, May 15, 1912.

Fowle and Upham returned today.[2] I will cable you tomorrow the conclusions of their investigation.

ROCKHILL.

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[1] See inclosure 3 with his despatch 234 of June 28.

[2] See telegrams of May 3.

File No. 367.114M69/125.

The Acting Secretary of State to the American Ambassador.

[Telegram.]

DEPARTMENT OF STATE,
Washington, May 15, 1912.

Your May 13 and May 15. Upon receipt by the Department of the conclusions of the investigations by Fowle and Upham to which you refer you will be further instructed.

WILSON.

File No. 367.114M69/126.

The American Ambassador to the Secretary of State.

[Telegram.]

AMERICAN EMBASSY,
Pera, May 16, 1912.

Your May 15. With the unofficial cooperation of the city and naval authorities at Smyrna, Upham and Fowle are of opinion:

1. That the *Texas* was out of order and disregarding regulations for passing through a mine field.

2. That the Turkish authorities took every precaution to prevent disaster and to warn the *Texas*.

3. That the *Texas* ran against a mine and sank.

I await certain data promised me by the Minister for Foreign Affairs, on receipt of which I will make an official report.

ROCKHILL.

File No. 367.114M69/131.

The Secretary of State to the American Ambassador.

[Telegram.]

DEPARTMENT OF STATE,
Washington, May 29, 1912.

Your May 13 and May 16. The Department, after careful consideration of the facts leading up to the arrest and detention of the captain of the *Texas* by Ottoman authorities at Smyrna, can reach no other conclusion than that it would be disadvantageous to waive our rights under circumstances which would create an undesirable precedent.

The following points are mentioned for your information as having among others influenced the Department in arriving at its conclusion:

First. Vessels belonging to citizens of the United States are entitled to fly the American flag in foreign ports, and are internationally American vessels.

Second. A seaman of whatsoever nationality serving under the American flag owes temporary allegiance to that flag and is therefore subject to its appropriate jurisdiction.

Third. American vessels and consequently their crews in the waters of countries in which the United States exercises extraterritorial jurisdiction are subject to two sorts of consular jurisdiction: Firstly, that which (as to the internal government of the ship and members of its crew) would belong to the consul in any port not extraterritorial, either by virtue of the general principles of international law or by virtue of special treaty provisions; and, secondly, that which would accrue by virtue of extraterritorial rights, which the Department is strongly inclined to believe extends to jurisdiction in the case of crimes and misdemeanors committed in territorial waters by a citizen or member of the crew (other than subjects of the port country) against whatsoever parties.

Therefore, in accordance with the principles of extraterritorial jurisdiction which this Government has hitherto asserted, you are instructed, notwithstanding the probability that the Ottoman Government may decline, again to make upon the Minister for Foreign Affairs, in such manner as you deem most appropriate, a specific request for the surrender of the captain to the jurisdiction of the American Consul General at Smyrna, in addition to reserving in behalf of this Government all rights in connection with the case.

KNOX.

File No. 367.114M69/136.

The American Ambassador to the Secretary of State.

[Telegram.]

AMERICAN EMBASSY,
Pera, June 1, 1912.

The steamship *New York* of the American Company while leaving Saloniki on the 23d instant, being warned that it was dangerous to proceed without a pilot boat, is reported to have dropped anchor when told not to stop there and in so doing to have pulled up cable connecting the mines electrically controlled from shore. Had they been contact mines, another catastrophe would have been almost inevitable. This is at least the tenth time that one or another of these vessels has required warning because of specific violation of well-known regulations governing passage of mine fields in Smyrna and Saloniki bays. The Sublime Porte points out the urgent necessity for putting an end to this inexplicable and inexcusable conduct of these captains and disclaims all responsibility for the results of their disobedience of established regulations.

I am warning the company of the tremendous risks it takes in permitting such irregularities on the part of its captains but I fear it will pay scant attention to my notice, as it has done in most previous cases. It is particularly regrettable that not one of the captains or chief engineers of the company is an American citizen or presumably qualified to secure American certificate for the position he holds.

ROCKHILL.

File No. 367.114M69/136.

The Secretary of State to Messrs. Griggs, Baldwin and Baldwin, attorneys for the Archipelago-American Steamship Company.

[Telegram.]

DEPARTMENT OF STATE,
Washington, June 4, 1912.

The American Ambassador at Constantinople advises Department that while leaving Saloniki on the 23d ultimo the steamship *New York* of the Archipelago-American Steamship Company, having been warned it was dangerous to proceed without pilot, dropped anchor in place forbidden, thus pulling up cable connecting mines controlled electrically from shore. Had they been contact mines, another catastrophe like *Texas* incident would almost certainly have occurred. Further reported that this is but one of many occasions when vessels of this line have violated well-known and specific regulations governing passage of mine fields at Smyrna and Saloniki bays.

This and many other complaints of a not dissimilar character convinces the Department that, as at present conducted, this line is not only not a credit to this nation, but is a source of such constant irritation and friction between this and the Ottoman Government as, if continued, might menace the friendliness of the two Governments, and the Department is therefore constrained to say that unless orders are immediately given to the captains of this company's boats to obey the port regulations governing passage of mine fields established by the Ottoman Government, and unless those orders and regulations are immediately and properly observed, the Department will be compelled wholly to withdraw protection of this Government and so to inform the Ottoman Government and American diplomatic and consular officers.

KNOX.

File No. 367.114M69/136.

The Secretary of State to the American Ambassador.

[Telegram.]

DEPARTMENT OF STATE,
Washington, June 5, 1912.

Your telegram June 1. The Department has telegraphed Messrs. Griggs, Baldwin and Baldwin, attorneys for the Archipelago-American Steamship Line, that unless orders are forthwith issued to those in command of the company's steamers to comply with port regulations governing passage of mine fields promulgated by the Ottoman Government, and unless the same are immediately and promptly [properly] observed, the Department will be obliged to withdraw protection of this Government and to inform the Ottoman Government and diplomatic and consular officers in that sense.

KNOX.

File No. 367.114M69/132.

The Secretary of State to the American Consul General at Smyrna.

DEPARTMENT OF STATE,
Washington, June 5, 1912.

SIR: The Department has received your despatch No. 23 of May 10 last, enclosing a memorandum containing an account of the attitude taken by you in reference to the action of the Ottoman authorities in the matter of the arrest and detention of the captain of the American ship *Texas*, recently sunk in the harbor of Smyrna.

Your report has been read with much interest and the Department commends you for the able manner in which you have treated the question.

There is enclosed for your information and guidance a paraphrase of the Department's telegram of the 29th ultimo to the Ambassador at Constantinople in regard to the matter.

I am [etc.]

For Mr. Knox:
WILBUR J. CARR.

File No. 367.114M69/144.

The American Ambassador to the Secretary of State.

No. 217.] AMERICAN EMBASSY,
Constantinople, June 12, 1912.

SIR: I have the honor to acknowledge the receipt of the Department's cable instruction of May 29th, wherein the Embassy was instructed, notwithstanding that the Ottoman Government might decline, to make upon the Ottoman Minister for Foreign Affairs in such manner as I might deem most appropriate a specific request for the surrender of Captain Macris, of the Archipelago American Steamship Company's vessel *Texas*, to the jurisdiction of the American Consul General at Smyrna, reserving at the same time, in behalf of the United States Government, all rights in connection with this case.

On receipt of this instruction the Embassy directed the Consul General at Smyrna to renew his request for the custody of this captain. To the Consul General's request the Governor General of Smyrna replied that he was awaiting instructions from Constantinople. Mr. Horton further reported, on June 6th, that Captain Macris was still in the prison ward of the Turkish hospital at Smyrna. The Embassy thereupon made to the Sublime Porte, in its note of June 8th, a copy of which is enclosed, a specific request for the surrender of this captain to the custody of the American Consulate General at Smyrna, to be tried by the American Consular Court for such charges as may be properly brought against him on account of any act committed by him while performing his duties as master of the said American vessel. Further the Embassy reserved, as instructed, all rights arising out of the sinking of this vessel.

I have [etc.]

W. W. ROCKHILL.

[Inclosure—Note verbale.]

The American Embassy to the Ministry for Foreign Affairs.

No. 91] AMERICAN EMBASSY,
Constantinople, June 8, 1912.

Referring to the Embassy's memorandum of May 11th, 1912, regarding the matter of the sinking of the steamship *Texas* of the Archipelago American Steamship Company, wherein reservation was made for later discussion of the question of jurisdiction in this mattter, the Embassy of the United States of America now has the honor to point out that as the *Texas* was an American vessel, the property of an American corporation and flying the American flag, and as the captain of this vessel is held for a crime alleged to have been committed by him while aboard this American vessel and in his capacity as master of the same, he is subject to the same jurisdiction as would be an American citizen serving in like capacity.

The Embassy therefore specifically requests the surrender of Spiro Macris, captain of the steamship *Texas* at the time of her sinking, to the custody of the American Consulate General at Smyrna, to be tried by the American Consular Court for such charges as may be properly brought against him on account of any act committed by him while performing his duties as master of said American vessel. Further, the Embassy reserves, on behalf of the United States Government, all rights in connection with all questions arising out of the sinking of the said vessel in Smyrna Bay on April 29th, 1912.

File No. 367.114M69/141.

The American Consul General at Smyrna to the Secretary of State.

[Telegram.]

AMERICAN CONSULATE GENERAL,
Smyrna, June 26, 1912.

The Captain of the *Texas* has been removed from the hospital prison and thrown into the common prison of condemned criminals.

HORTON.

File No. 367.114M69/152.

The American Ambassador to the Secretary of State.

No. 234.] AMERICAN EMBASSY,
Constantinople, June 28, 1912.

SIR: Referring to my cablegram of May 13, regarding American consular jurisdiction in the case of the captain of the steamship *Texas* at the time of that vessel's sinking in Smyrna harbor on April 29 last, and to your cabled instruction of June 5, I have the honor herewith to enclose copies of the notes verbales transmitted by the Embassy to the Porte in pursuance of your instructions.

I have also to transmit herewith copy of a memorandum which I personally handed to the Porte on the 11th of May when first the attention of the Ottoman Government was called to the matter, according to your cabled instructions of May 8.

I have [etc.]

W. W. ROCKHILL.

[Inclosure 1—Note verbale.]

The American Embassy to the Ministry for Foreign Affairs.

No. 91.] AMERICAN EMBASSY,
Constantinople, June 8, 1912.

Referring to the Embassy's memorandum[1] of May 11, 1912, regarding the matter of the sinking of the steamship *Texas* of the Archipelago-American Steamship Company, wherein reservation was made for later discussion of the question of jurisdiction in this matter, the Embassy of the United States of America now has the honor to point out that as the *Texas* was an American vessel, the property of an American corporation and flying the American flag, and as the captain of this vessel is held for a crime alleged to have been committed by him while aboard this American vessel and in his capacity as master of the same, he is subject to the same jurisdiction as would be an American citizen serving in like capacity.

The Embassy, therefore, specifically requests the surrender of Spiro Macris, captain of the steamship *Texas* at the time of her sinking, to the custody of the American Consulate General at Smyrna, to be tried by the American Consular Court for such charges as may be properly brought against him on account of any act committed by him while performing his duties as master of said American vessel.

Further, the Embassy reserves, on behalf of the United States Government, all rights in connection with all questions arising out of the sinking of the said vessel in Smyrna Bay on April 29, 1912.

[Inclosure 2—Note verbale.]

The American Embassy to the Ministry for Foreign Affairs.

No. 103.] AMERICAN EMBASSY,
Constantinople, June 27, 1912.

By its note verbale No. 91 of the 8th instant, the Embassy of the United States of America had the honor specifically to request the surrender of Spiro Macris, captain of the American steamship *Texas* at the time of her sinking, to the custody of the American Consulate General at Smyrna, to be tried by the American Consular Court for such charges as might be properly brought against him on account of any act committed by him while performing his duties as master of said vessel.

This Embassy has now the honor to inform the Sublime Porte that it has been surprised to learn through the American Consulate General at Smyrna that the said Spiro Macris has been removed by the Ottoman authorities from the hospital prison and thrown into the common prison of convicted criminals.

This Embassy can not understand how, before the Sublime Porte had done the Embassy the honor to give a reply to the memorandum of the 11th of May last requesting that the local authorities should not be permitted to proceed further in the matter, and to the said note verbale of the 8th instant, requesting the surrender of the said Spiro Macris to the American Consulate General for trial, the Ottoman authorities at Smyrna have been responsible for such action altogether incompatible with the elementary rules of international courtesy. While reiterating its above-mentioned requests, this Embassy regrets to find itself obliged to enter a formal protest against the action of the Ottoman authorities at Smyrna, which is absolutely at variance with [the] friendly and most courteous methods which have always charcterized the relations between the Sublime Porte and this Embassy.

[Inclosure 3.]

The American Embassy to the Ministry for Foreign Affairs.

MEMORANDUM.

In the matter of the sinking of the American steamship *Texas*, flying the American flag, on the 11th of May,[2] 1912, the American Ambassador called at

[1] Inclosure 3 herewith.

[2] April 29.

the Sublime Porte and in an official interview informed the Imperial Ministry for Foreign Affairs that, having been informed that the captain of the said vessel had been removed to the prison hospital, and reserving the discussion of the question of jurisdiction, he had instructed the American Consul General at Smyrna to request the Governor General of the Vilayet of Aidin to inform him of the charges brought against the captain. In case the local authorities would inform the Consul General that the captain was held for alleged offense connected with the sinking of the *Texas*, the Consul General was instructed to point out that diversity of report existed concerning the cause of the sinking of the said vessel, and to request the Ottoman authorities that pending determination of this point, which is now under investigation, they surrender to him for custody the captain of the said American vessel.

In order to clearly and definitely understand the case, the Ambassador requested the Imperial Ministry for Foreign Affairs to immediately furnish the Embassy with a chart showing the exact and actual location of the wreck, the buoys, the courses, and the ships at the date of sinking, these data being absolutely necessary to determine the facts of the case. The Ambassador further stated that before the above chart was furnished and the facts of the case were fully known, the local authorities should not be permitted to proceed further in the matter. The discussion of damages also was reserved.

AMERICAN EMBASSY,
Constantinople, May 11, 1912.

File No. 367.114M69/154.

The American Consul General at Smyrna to the Secretary of State.

No. 40.] AMERICAN CONSULATE GENERAL,
Smyrna, July 1, 1912.

SIR: I have the honor to acknowledge the receipt of Department's unnumbered instruction of June 5th, 1912, expressing approval of the manner in which the question of jurisdiction over the captain of the S. S. *Texas* has been handled by this office. The support of the Department in this matter has caused me the liveliest satisfaction as further reflection and study has strengthened my conviction that such vessels are, internationally, American vessels. Indeed logic and reason, which are or should be the basis of all law, admit of no other conclusion. American citizens have the natural right to acquire property in foreign-built vessels. Such property once acquired, the question arises: How shall it be classified for purposes of international jurisdiction and protection? A ship can never be treated as a factory, a shop or a piece of real estate, for the reason that it is in its nature totally distinct from such kind of property and is subject to special laws, traditions and regulations. A ship is always a ship, even though acquired as property, and when the Government gives a ship the right to fly the flag, it assumes the responsibility connected with the act. For this reason the transfer of foreign ships to the American flag is considered such a serious matter and is hedged in by so many precautions by the Government. Common sense suggests the question: If a ship legally flying the American flag is not an American ship, what is it? A sufficient answer to that question will suggest how else to treat such vessels in matters of jurisdiction, than as American vessels.

I have the honor to enclose herewith a further report [1] of some incidents seeming to have a bearing on the sinking of the *Texas*.

I have [etc.]

GEORGE HORTON.

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[1] Not printed.

File No. 367.114M69/149.

The American Consul General at Smyrna to the Secretary of State.

[Telegram.]

AMERICAN CONSULATE GENERAL,
Smyrna, July 9, 1912.

The trial of the captain of the *Texas* has commenced in the Turkish penal court.

HORTON.

File No. 367.114M69/156.

No. 45.] AMERICAN CONSULATE GENERAL,
Smyrna, July 9, 1912.

SIR: I have the honor to enclose copy of a despatch which I am this day sending to the Ambassador at Constantinople, which is self-explanatory.

I have [etc.] GEORGE HORTON.

[Inclosure.]

The American Consul General at Smyrna to the American Ambassador.

No. 45.] AMERICAN CONSULATE GENERAL,
Smyrna, July 9, 1912.

SIR: I have the honor to inform you that yesterday the captain of the *Texas* was taken to the penal court at the Konak and his trial, in connection with the sinking of the vessel, begun, as telegraphed to you this morning. He was taken through the streets in company with about twenty others, also under indictment, himself handcuffed to another man. In accordance with my instructions, he replied to the court that he did not recognize their jurisdiction as he was, at the time when the catastrophe occurred, captain of a vessel flying the American flag.

After a few questions had been asked him, and other witnesses examined, the trial was adjourned to the 30th July next.

The whole conduct of the Turkish authorities in this case convince me that they are merely feeling their way. They cannot but recognize that they have no jurisdiction in the premises, and they are proceeding slowly to see how far the Americans will let them go. They first left him in the hospital for a long time before removing him to prison. Next, they have commenced a trial and have postponed it for three weeks, again feeling their way. The situation and the question of jurisdiction are thoroughly understood by the more intelligent portion of the community here, and our helplessness in the matter seriously compromises our prestige to an extent which probably cannot be realized either at Washington or at Constantinople. The facts that the vessel never should have been allowed to fly the flag and that the captain is a Greek has no bearing on the question at issue, which is one of law and prestige.

I have [etc.] GEORGE HORTON.

File No. 367.114M69/150.

The American Ambassador to the Secretary of State.

[Telegram.]

AMERICAN EMBASSY,
Constantinople, July 11, 1912.

The Ottoman authorities, without replying to my repeated requests for surrender of captain of *Texas*, began proceedings against

him in the criminal court, Smyrna, on the 9th instant. The Greek Consul, Smyrna, was notified, and the Greek Dragoman attended the trial, which was postponed until July 30. I have again protested and renewed request for surrender to our jurisdiction.

ROCKHILL.

File No. 367.114M69/157.

The American Ambassador to the Secretary of State.

No. 243.] AMERICAN EMBASSY,
Constantinople, July 12, 1912.

SIR: In continuation of my despatch No. 234 dated June 28, 1912, concerning the jurisdiction in the case of the captain of the steamship *Texas* sunk in Smyrna harbor on April 29 last, I have the honor herewith to enclose copies of telegrams received from the American Consul General at Smyrna showing subsequent developments in the case and the commencement of the trial of the captain in a Turkish penal court; also copies of my telegrams to the Consul General, and copy of the protest which I have directed to H. E. Moustafa Assim Bey, Minister for Foreign Affairs.

I have [etc.]

W. W. ROCKHILL.

[Inclosure 1.]

The American Consul General at Smyrna to the American Embassy.

[Telegram.]

AMERICAN CONSULATE,
Smyrna, July 9, 1912.

Trial *Texas* Captain commenced in Turkish penal court. Cable instructions.

HORTON.

[Inclosure 2.]

The American Ambassador to the American Consul General at Smyrna.[1]

[Telegram.]

AMERICAN EMBASSY,
Constantinople, July 9, 1912.

Your telegram July 9. Protest vigorously. I am doing the same.

ROCKHILL.

[Inclosure 3.]

The American Ambassador to the Minister for Foreign Affairs.

No. 111.] AMERICAN EMBASSY,
Constantinople, July 10, 1912.

EXCELLENCY: I have the honor to inform your excellency that the American Consul General at Smyrna telegraphs that a trial of Spiro Macris, Captain of the steamship *Texas* at the time of her sinking, [has] commenced in the Ottoman criminal court at Smyrna.

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[1] For the reply to this telegram, see the inclosure with Mr. Rockhill's No. 245 of July 12.

In an interview which I had the honor to have with your excellency on the 11th of May last, and which I confirmed by a memorandum bearing same date,[1] reserving explicitly the question of jurisdiction, I requested that the Imperial Ministry furnish me with a chart showing the location of the wreck, the buoys, the courses, and the ships at the date of the sinking, these data being absolutely necessary to determine the facts of the case. I further stated that before the above chart was furnished and the facts of the case were fully known, the local authorities should not be permitted to proceed further in the matter.

By its note verbale of the 8th of June, 1912,[2] this Embassy had the honor to point out that as the *Texas* was an American vessel, the property of an American corporation and flying the American flag, and as its captain was held for a crime alleged to have been committed by him while aboard that American vessel and in his capacity as master of the same, he is subject to the same jurisdiction as would be an American citizen serving in like capacity. The Embassy therefore specifically requested the surrender of the said Spiro Macris to the custody of the American Consul General at Smyrna, to be tried by the American Consular Court for such charges as might be properly brought against him on account of any act committed by him while performing his duties as master of the said American vessel.

By its note verbale of the 27th of June 1912,[3] this Embassy, while reiterating its above-mentioned requests, found itself obliged to protest against the action of the Ottoman authorities at Smyrna, who had removed the said captain from the hospital prison and thrown him into the common prison of convicted persons.

I cannot conceal my surprise that notwithstanding the requests contained in the above-mentioned memorandum and two notes of this Embassy, all of which remain unanswered, the local authorities should have acted as stated above, and, reserving all rights, I am constrained to enter hereby a most formal protest against the attempt on the part of the Ottoman authorities to try the said Spiro Macris pending the determinaion of the questions submitted by this Embassy to the Imperial Ministry in its above-mentioned communications.

File No. 367.114M69/158.

The American Ambassador to the Secretary of State.

No. 245.] AMERICAN EMBASSY,
Constantinople, July 12, 1912.

SIR: In continuation of my despatch No. 243, of today's date, regarding the trial of the captain of the steamship *Texas* sunk in Smyrna harbor in April last, I have the honor to transmit herewith copies of two despatches[4] just received by the Embassy from the Consulate General at Smyrna.

W. W. ROCKHILL.

[Inclosure.]

The American Consul General at Smyrna to the American Ambassador.

No. 46.] AMERICAN CONSULATE GENERAL,
Smyrna, July 10, 1912.

SIR: I have the honor to acknowledge the receipt of your open telegram of this morning[5] and to inform you that I have immediately sent in a vigorous protest to the local government against the arbitrary and illegal manner in

[1] Inclosure 3 with despatch No. 234 of June 28.
[2] Inclosure with his despatch of June 12.
[3] Inclosure 2 with his despatch of June 28.
[4] One of these is the inclosure with Mr. Horton's No. 45 of July 9, supra.
[5] Refers to inclosure 2 with Mr. Rockhill's despatch of July 12, No. 243, sent July 9 and received on the 10th.

which it is acting in the matter of the captain of the *Texas*, in bringing him to trial on accusations touching the sinking of a ship flying the American flag. I have assured the Governor General that the responsible parties will be called to account for all violations of the provisions of international law and the Capitulations.

I have [etc.] GEORGE HORTON.

File No. 367.114M69/153.

The American Ambassador to the Secretary of State.

[Telegram—Extract.]

AMERICAN EMBASSY,
Pera, July 16, 1912.

I have received from the Minister for Foreign Affairs today reply to my various notes concerning our claim of jurisdiction over Captain steamship *Texas* and request for surrender.

ROCKHILL.

File No. 367.114M69/159.

The American Ambassador to the Secretary of State.

No. 247.] AMERICAN EMBASSY,
Constantinople, July 18, 1912.

SIR: In confirmation of my telegram of July 16th, I have the honor to enclose herewith copy with translation of the note received from the Minister for Foreign Affairs on the subject of the jurisdiction and trial of captain of the *Texas*.

I shall forward copy of my reply as soon as it has been communicated to the Sublime Porte.

I have [etc.] W. W. ROCKHILL.

[Inclosure—Translation.]

The Minister for Foreign Affairs to the American Embassy.

SUBLIME PORTE,
MINISTRY FOR FOREIGN AFFAIRS,
Constantinople, July 15, 1912.

MR. AMBASSADOR: I have had the honor to receive the note in which your excellency, referring to previous communications from the Embassy of the United States of America, feels called upon to protest against the imprisonment and trial by the Ottoman judicial authorities of Captain Spiro Macris, who was in command of the *Texas* at the time of her shipwreck; to request the suspension of the inquiry until a detailed sketch of the locality of the accident should be furnished to the Embassy; and finally to demand the transfer of the judicial action and the surrender of the accused to American consular jurisdiction.

In seizing this occasion to repeat to your excellency how much I deplore this accident, which caused the death of a large number of Ottoman subjects as well as the loss of a ship flying the American flag, I feel obliged to point out that the judicial proceedings brought against the said captain have been amply justified by grave evidence establishing his responsibility, of which the competent Ottoman tribunal will have to judge the value.

Although for pressing reasons of national defense in time of war (reasons already known, if I am not mistaken, to the Embassy and the American Consulate at Smyrna) the military authorities had been unable to furnish the sketch demanded by your excellency, the notices from my Department,

dated May 19th and 30th, as well as the information gathered on the spot by the representatives of the Embassy, ought to have enlightened your excellency about the circumstances which brought about this deplorable accident.

This written and verbal information has demonstrated clearly that, in spite of the scrupulous care with which the Imperial authorities at Smyrna had particularly drawn the attention of the Hadji Daoud Company to the inexplicable negligence of its captains in complying with the regulations made solely in the very interest of the safety of vessels, the captain of the *Texas* on the day of the accident, following the custom of the captains of the company, did not heed the blank and loaded shots fired by the battery and had himself run against a torpedo.

The imprudence or the bravado with which the said captains prided themselves in transgressing the regulations was fated to end in this catastrophe, and it is not difficult to imagine the spirit in which the company and its employees now seek to cast all the odium of it upon our military authorities, and that, too, against all evidence and against all the abstract and concrete proof establishing in such an overwhelming manner the fact that the loaded shots were not aimed to strike the vessel and did not and could not hit it nor sink it.

The judicial proceedings intended to establish Captain Macris' responsibility are therefore absolutely legitimate, and I find it impossible to arrest their course, particularly as my Department and the Imperial authorities at Smyrna have already enlightened the Embassy of the Republic upon the circumstances of the accident without its seeming necessary to unmask the whole system of defense of a port which is continually menaced by the enemy.

Regarding the competency of the American Consular Court, I am constrained to point out, while reserving the Imperial Government's point of view concerning Article IV of the Treaty of 1830, that in this complicated case, where grave Ottoman interests are at stake, the accused, who is not of American nationality, was arrested outside of his ship, which was as a matter of fact lost, and that he is being prosecuted for having caused injury to the said Ottoman interests.

There cannot therefore be any question of the competence of the American Consulate.

As to the reserves formulated by the Embassy of the Republic in the last paragraph of its note verbale of June 8, I need not remark that the Imperial Government cannot under any circumstances admit any responsibility whatever in connection with an accident due solely to the fault of Captain Macris, and that, on the contrary, it reserves all rights to an indemnity for losses caused to individuals and to the Ottoman State.

I seize [etc.]

MOUSTAFA ASSIM.

File No. 367.114M69/162.

The American Ambassador to the Secretary of State.

AMERICAN EMBASSY,

No. 252.] *Constantinople, July 29, 1912.*

SIR: In further reference to my telegram of July 16th, and my despatch No. 247 of the 18th instant, regarding the reply of the Sublime Porte to our various notes concerning our claim of jurisdiction over the captain of the steamship *Texas*, I have the honor to transmit herewith copy of the note I sent to the Minister for Foreign Affairs on the 27th instant.

The recent change of Cabinet has necessitated my elaborating again the subject in this note addressed to the new Minister for Foreign Affairs.

I have [etc.]

W. W. ROCKHILL.

[Inclosure.]

The American Ambassador to the Minister of Foreign Affairs.

AMERICAN EMBASSY,
Constantinople, July 27, 1912.

Mr. MINISTER: I have the honor to acknowledge the receipt of the note of the 15th instant which his excellency Assim Bey, then Minister for Foreign Affairs, had the kindness to send me in reply to several communications from this Embassy concerning the case of Spiro Macris, captain of the steamship *Texas*, at the time of her sinking in April last, and in which his excellency expressed his regrets for the sinking of this ship.

As stated in its memorandum of May 11,[1] in order to arrive at an intelligent conclusion as to the facts of the case, this Embassy had requested to be furnished with a chart showing the location of the wreck and other data, and that the local authorities should not proceed further in the matter before all the facts of the case were fully known. By its note verbale No. 91 of the 8th of June[2] which referred to the question of jurisdiction, this Embassy had the honor to state that as the *Texas* was an American vessel, the property of an American corporation and flying the American flag, and as her captain was held for a crime alleged to have been committed by him while aboard that American vessel, and in his capacity as master of the same, he was subject to the same jurisdiction as would be an American citizen serving in like capacity. The Embassy therefore specifically requested the surrender of the said captain to the custody of the American Consul General at Smyrna, to be tried by the American Consular Court for such charges as might be properly brought against him on account of any act committed by him while performing his duties as master of the said American vessel.

By its note verbale No. 103 of the 27th of June,[3] the Embassy found itself obliged to enter a protest against the authorities at Smyrna, who had seen fit to remove the said captain (a man who had not been tried by any court whatsoever, competent or incompetent) from the hospital prison and to throw him into the common prison of convicted criminals. By the note No. 111 of the 10th instant,[4] I had the honor to inform his excellency the Minister for Foreign Affairs, that notwithstanding the request contained in the above-mentioned communications, all of which had remained unanswered, the trial of Spiro Macris had commenced in the Ottoman criminal court at Smyrna, and therefore, reserving all rights, I entered a formal protest against the attempt on the part of the Ottoman authorities to try the said captain, pending the determination of the question raised in the above-mentioned communications.

A careful perusal of the above-mentioned communications will clearly show that this Embassy had expressed no opinion as to the culpability or nonculpability of the said Spiro Macris. The Embassy had requested:

1. To be furnished with a chart, and that the local authorities should not be allowed to proceed with the case before all the facts of the case were fully known.

2. Whereas the said captain is, for the reasons fully explained, subject to the same jurisdiction as would be an American citizen serving in like capacity, that he be surrendered to the custody of the American Consul General at Smyrna to be tried by the Consular Court.

3. The Embassy had found itself obliged to enter a formal protest against the unwarranted action of the local authorities, who had taken the liberty to throw the said captain into the common prison of convicted criminals even before the question of jurisdiction had been fully discussed between the Imperial Ministry and this Embassy.

In the Imperial Ministry's note of the 15th instant,[5] I notice that notwithstanding its importance the third point is entirely ignored. Part of the first is incidentally mentioned, and the second is not directly and fully answered. I may be allowed to state that the note seems to seek to carry the discussion on another ground. There seems to be an effort to prove that the Ottoman authori-

[1] Inclosure 3 with his despatch 234 of June 28.
[2] Inclosure 1 with said despatch.
[3] Inclosure 2 with said despatch.
[4] Inclosure 3 with his despatch 243 of July 12.
[5] Inclosure with his despatch 247 of July 18.

ties at Smyrna acted quite properly, while the captain of the *Texas*, like other captains of the American Archipelago Steamship Company (*not* the Hadji Daoud Company), an habitual violator of port orders, brought about through his own fault the sinking of the *Texas*. I beg, however, to state that that is not the point under discussion. Supposing that the captain of the *Texas* was at fault, supposing that the sinking of the vessel with all the loss of life and of property which it entailed was solely due to the captain, supposing that there was criminal negligence on his part and a very just ground for a prosecution, the question at issue is: Who has jurisdiction to try the captain of the American vessel? This Embassy replies it is the American Court at Smyrna which has jurisdiction, because the *Texas* was an American vessel, the property of an American corporation and flying the American flag, because the captain of the vessel is held for a crime alleged to have been committed by him while aboard this American vessel and in his capacity as master of the same, he is consequently subject to the same jurisdiction as would be an American citizen serving in like capacity. The Sublime Porte, however, without giving a direct answer to the argument put forward by the Embassy, states that the captain, who is a Hellenic subject, was arrested outside of his vessel, and that he is prosecuted for having caused damage to Ottoman interests.

I am therefore obliged to take note that the Imperial Ministry has not fully replied to the important points contained in the several communications from this Embassy, to again ask that orders be given to the local authorities to proceed no further in the matter before all the facts of the case are fully known and the points of jurisdiction fully discussed. Otherwise I shall be obliged to maintain my protest against any attempt on the part of the local authorities to try the captain of an American vessel for charges of acts alleged to have been committed by him while performing his duties as master of the said American vessel, and I hereby have the honor to renew the reservations as to all rights in the premises.

I avail [etc.].

W. W. ROCKHILL.

File No. 367.114M69/166.

The American Ambassador to the Secretary of State.

AMERICAN EMBASSY,

No. 273.] *Constantinople, September, 6, 1912.*

SIR: Referring to my despatch No. 247 of July 18, 1912, with regard to the trial of Spiro Macris, Captain of the S. S. *Texas* of the Archipelago American Steamship Company at the time of her sinking in Smyrna harbor on April 29th last, I have the honor to report that I had an interview with his excellency Noradunghian Effendi on August 26 last, in the course of which this matter was again discussed.

In reply to my presentation of the arguments which this Embassy had previously put forward under the Department's instructions, the Ottoman Minister for Foreign Affairs repeated the arguments already advanced by his Government to support its claim of jurisdiction, to the effect that the charge against the captain of the *Texas* is one against the person of Spiro Macris, not against the Archipelago American Steamship Company, the crime for which the accused is held, that of disobeying the port regulations of Smyrna in time of war, was committed by an Hellenic subject in Ottoman territorial waters and resulted in the loss of life of Ottoman subjects; and he pointed out that at the institution of the trial jurisdiction in the premises was recognized by the Hellenic Government, which could not have done otherwise, as vested in the Ottoman courts. With reference to the last point, I beg leave to enclose herewith copies of

recent correspondence with our Consul General at Smyrna,[1] from which it appears that the trial of Macris is being conducted by the Ottoman court in the presence of the dragoman of the Hellenic Consulate.

His excellency then proceeded to make an assertion that includes points which have not hitherto been made in support of his Government's contention in this case. He said that if his Government should admit the view of the American Government this Hellenic subject should be tried by the American Consular Court as an American citizen, because the *Texas* was an American vessel, the property of an American corporation and flying the American flag, and because this Hellenic subject is held for a crime alleged to have been committed by him while aboard this American vessel and in his capacity as master of the same; should his Government admit this, it would be forced to the consequent admission that an Ottoman subject who might happen to be the captain of one of the ships of the American company would, under similar circumstances, be subject to the jurisdiction of the American Consular Court. He added that such a thing would be manifestly impossible, contrary to all principles of penal procedure and jurisdiction as applied in Turkey, and which the American Government would not think of claiming.

The Minister said that, moreover, a trial of an Ottoman subject in an American Consular Court under an analogous state of facts would be contrary to the provisions of the "Regulation in regard to Foreign Consulates" of 1863. This regulation was accepted by all the diplomatic missions accredited here and lays down the general rule that no Ottoman subject can be withdrawn from Ottoman jurisdiction by a "trust, employment or service which he may hold from a foreign subject."

In tracing the origin of this regulation it appears that in the 18th and the beginning of the 19th centuries a system of protection of Ottoman subjects by foreign consulates grew up in Turkey which seems to have been abusive. A large number of Ottoman subjects, not in the foreign diplomatic or consular service, was being "protected" by some foreign consulate. The effect of such "protection" was that in all civil or criminal actions these persons were treated as foreign subjects. The system of "protection" was even extended to the members of the "protégé's" family and could be transmitted by inheritance to his descendants. The Porte objected to this system and when towards 1860 it realized that at certain seaports the foreign "protégés" were more numerous than Ottoman subjects themselves, it decided to use every proper means at its disposal to put an end to this anomalous state of affairs. In September, 1860, the Porte informed the diplomatic missions that any Ottoman subject who should obtain foreign "protection" must leave the Empire within three months after securing such "protection." If he refused to leave, he would be treated in every way as an Ottoman subject. The attitude of the Porte was regarded as justifiable and in 1863 the diplomatic missions agreed to the above-mentioned regulation, so that the Porte has ever since considered it as in the nature of an international act.

[1] Not printed.

The principal provisions of the regulation are that foreign consular "protection" extended to Ottoman subjects is limited only to dragomans and cavasses in actual service, called privileged "temporary protégés": that the number of such "protégés" is fixed according to the rank of the consular office they serve: that so long as they are in such service they are treated in all their affairs, official and private, as permanent protégés, i. e., as subjects of the country which they serve: that this withdrawal from their natural jurisdiction is a temporary and exceptional condition which lasts only so long as they are in the actual service of the foreign consulate. As to other Ottoman subjects who are employed by other foreigners, this regulation clearly provides that "no Ottoman subject can be withdrawn from Ottoman jurisdiction by the trust, employment or service that he may hold from a foreign subject, only the foreign interests that may be found in his hands shall enjoy foreign protection. * * *." "Beyond the foreign interests with which they may be entrusted Ottoman subjects (other than temporary protégés) shall not cease for a single instant to retain their character of Ottoman subjects and to be under Ottoman jurisdiction in their private affairs and in their persons."

The last is the provision to which the Minister for Foreign Affairs attaches great importance, because, he says, as stated above, should American jurisdiction be admitted in the case of this Hellenic subject, the same jurisdiction must be admitted in the case of an Ottoman subject who might serve in a similar capacity.

After hearing the argument of the Minister, I reiterated our view of the question at issue and in reply to his request that we should admit the jurisdiction of the Otoman courts, I stated that I could not do so.

In connection with this matter, there is another important consideration which I deem it proper to submit. From the remarks of some Ottoman officials, it would appear that certain of the heirs of Ottoman subjects who lost their lives in the *Texas* disaster, or other Ottoman subjects who claim to have sustained losses on account of the disaster, may bring against the Archipelago American Steamship Company civil actions to recover damages: such actions, if ever brought, would be brought in the Mixed Court at Smyrna. Before taking any steps, however, these persons would naturally wait to see the result of the criminal prosecution against the captain of the *Texas*. Should he be acquitted, they may give up the idea of bringing actions against the company. Should he, on the other hand, be found guilty, then probably they will act against the company.

The Ottoman officials may think, therefore, that in order to shield the American Company against the future civil suits, the American Consular Court would be more lenient towards the accused than the Ottoman courts; but, following the same line of argument, the American Consulate General at Smyrna or the American Company might think that the Ottoman Court would be unduly severe against the captain, in order to pave the way for the same civil actions of Ottoman subjects.

Had the Porte admitted the view of the Department and had the man been tried by the Consular Court and found guilty, then such Ottoman subjects would at once apply to the Mixed Court and claim

damages from the company. But if, on the contrary, in spite of this Embassy's representations, the Porte allows the trial of Macris to go on in the Ottoman courts and they find him guilty, and then civil actions are instituted against the company, the Consulate General at Smyrna would be in a position to dispute the legality of the sentence against Macris which Ottoman subjects might use as a basis for the civil action.

I have [etc.]

W. W. Rockhill.

File No. 367.114M69/171.

The American Consul General at Smyrna to the Secretary of State.

No. 63.] American Consulate,
Smyrna, October 15, 1912.

Sir: I have the honor to call the attention of the Department to its unnumbered instruction of June 5th, 1912, with enclosure of paraphrase of telegram to the Embassy dated May 29th, 1912, and respectfully to enquire whether any reasons have arisen to cause the Department to alter the opinion expressed at that time, with reference to the rights of jurisdiction in the case of the captain of the *Texas*.

The captain is still lying in a Turkish prison, and has recently been moved from the private room where he was put at the request of this Consulate General to a room where he is confined with a number of others accused of crime.

This Consulate General, soon after the sinking of the *Texas*, and acting under instructions from the Embassy, requested that the captain be turned over to its jurisdiction.

If the Department has modified its position, as expressed in the instruction referred to above, it is necessary for me to know it, that I may act with intelligence.

I have [etc.]

George Horton.

File No. 367.114M69/169.

The Acting Secretary of State to the American Ambassador.

[Telegram.]

Department of State,
Washington, October 18, 1912.

Messrs. Griggs, Baldwin and Baldwin of New York, attorneys for the Archipelago-American Steamship Company, request that Embassy renew its representations to the Porte in the matter of the arrest and trial by Turkish authorities of the captain of the *Texas*. The attorneys state that they have reason to believe that strong representations at this time would effect the release of Captain Macris.

The foregoing is communicated to you for such action, if any, as to you may seem appropriate and expedient. The Department would be glad if a satisfactory adjustment of this case could be effected.

Adee.

File No. 367.114M69/172.

The American Consul General at Smyrna to the Secretary of State.

AMERICAN CONSULATE GENERAL,
Smyrna, October 22, 1912.

SIR: I have the honor to hand herewith to the Department a copy of a despatch I have this day addressed to the Embassy at Constantinople, regarding the present status of the case of the captain of S. S. *Texas* before the Ottoman court.[1]

I have [etc.]

GEORGE HORTON.

[Inclosure 1.]

The American Consul General at Smyrna to the American Ambassador.

AMERICAN CONSULATE GENERAL,
Smyrna, October 22, 1912.

SIR: I have the honor to confirm my telegram of yesterday[2] in reply to telegraphic inquiry from the Embassy[2] in the matter of the captain of the *Texas*. The status of this case remains unchanged, with the single exception that, owing to representations made by this Consulate General, Macris has again been removed from the large room where he was confined with several other prisoners and been given a room to himself.

I obtained this confession by informing the Governor General that my Government still held steadfastly to the opinion that this captain of an American-owned vessel belonged to the jurisdiction of the American Consulate and was being illegally detained by Ottoman authorities and that all mental suffering or bodily discomfort sustained by him as the cause of such illegal detention would be taken into account in the final reckoning.

I have [etc.]

GEORGE HORTON.

[Inclosure 2.]

The American Consul General at Smyrna to the American Ambassador.

AMERICAN CONSULATE GENERAL,
Smyrna, October 22, 1912.

SIR: Referring to my telegram of yesterday, I have the honor to inform you that the procedure in the case of the captain of S. S. *Texas* before the Penal Court of this city has now taken a different phase. At a sitting held today three petitions were read. One from the Ministry of War, demanding the condemnation of the captain and the Archipelago American Steamship Company to the payment of a sum amounting to over Ltqs. 660 for the mine alleged to have exploded at the time of the catastrophe. The other two, brought by the heirs of certain persons who sank with the steamer, demand indemnification for life and property lost, from the same parties. The company having now been implicated in the case, the presence of the American dragoman was deemed necessary, and for this reason the Court adjourned and postponed the case for a later date.

The Consulate General has received summons for the general manager of the company to appear before the Penal Court as defendant for "causing deaths," but these were not served by the Consulate in virtue of Art. 4 of our Treaty of 1834 with the Sublime Porte.

I have learned that the claims by the relatives of the victims for damages from the captain and the company have been provoked by the Turkish authori-

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[1] Inclosure 2 is attached to this despatch although not mentioned.
[2] Not mentioned in the correspondence with the Department.

ties, who have been summoning persons to the Konak and urging them to sign the petitions. I am at a loss to understand the motive of the Government's action, as the authorities here know better than anybody else that the American Government does not recognize the jurisdiction of the Turkish Penal Court in cases where an American is implicated as defendant.

The American dragoman will therefore refuse to attend officially any trial in the Ottoman Penal Court either against the captain or the company.

I have [etc.]

GEORGE HORTON.

File No. 367.114M69/174.

The American Ambassador to the Secretary of State.

[Extract.]

No. 300.] AMERICAN EMBASSY,
Constantinople, October 31, 1912.

SIR: I have the honor to inform you that on the 21st instant, having received your cabled instructions of October 18, in regard to the trial of Spiro Macris, captain of the Archipelago American S. S. *Texas*, sunk in Smyrna harbor on April 29th last, I had an interview with the Minister for Foreign Affairs. * * * I called his excellency's attention to the fact that the man had now been incarcerated at Smyrna for more than six months, that no effective steps had been taken to push on his trial, and that as a result of his incarceration after removal from the hospital, his state of health was very much impaired. I added that at the present time the default of witnesses both for and against the accused seemed to render impossible an equitable disposal of his case. Furthermore, the long term of preventive prison which Macris had already served seemed a sufficient punishment under the circumstances; and I suggested on purely humanitarian grounds that it might be found possible to release him.

During the course of the conversation with the Minister for Foreign Affairs, I suggested that it might be found possible for the Ottoman Government to enter a *nolle prosequi* or *ordonnance de non lieu*. It is obvious that a request from me that either the trial be pushed to a judgment or be *nol-prossed* would constitute an acknowledgement of jurisdiction, and therefore impossible for me to make.

Seeing the impossibility of securing acceptance by the Ottoman Government of our views in the matter of jurisdiction in this case, I have made numerous efforts to have Macris released, which would have left the question of jurisdiction in such cases where it was before the sinking of the *Texas*, but I regret to say that all my efforts have so far been unavailing. I enclose herewith a docket in which are noted the dates on which representations have been made the Minister for Foreign Affairs and to the Minister of Justice either by myself or by the legal adviser of the Embassy.

Both of these Ministers had promised to have a talk with the other in view of coming to some decision, and the Minister of Justice, who is not tied down by diplomatic usages, appeared favorably disposed to find a solution on the lines I had suggested. But pressure of work on account of the war had, the Minister of Justice stated, made it impossible for the two to find an opportunity to discuss the subject. Of course now that in the Kiamil Cabinet a new

Minister of Justice comes in, the whole matter will have to be discussed over with him before I can hope to bring it to as favorable a point as it was a short time ago. This remark applies to practically all the pending affairs of this as well as other Embassies.

I have [etc.]

W. W. ROCKHILL.

[Inclosure.]

Docket.

August 22. Legal Adviser spoke to the Under Secretary of State for Foreign Affairs.
August 24. Legal Adviser saw him again.
August 26. Ambassador spoke to Minister for Foreign Affairs.
September 24. Legal Adviser spoke to Minister of Justice.
September 28. Legal Adviser called at Department of Justice by appointment, but Minister was not in.
October 12 Legal Adviser saw Minister of Justice.
October 21. Ambassador spoke to Minister for Foreign Affairs.
October 22. Legal Adviser spoke to Minister Justice.
October 28. Legal Adviser spoke to Minister of Justice and handed him short memorandum.
Between August 26 and September 24, saw several times Musteshar for Foreign Affairs and Salih Bey to see if they had written to Minister of Justice, which they had not; and at the Musteshar's suggestion saw Minister of Justice.

File No. 367.114M69/171.

The Secretary of State to the American Ambassador.

[Telegram.]

DEPARTMENT OF STATE,
Washington, November 11, 1912.

Repeat the following to the Consulate-General at Smyrna, retaining a copy for the files of the Embassy:

Your 63, October 15. The views of the Department regarding the principles determining right of jurisdiction over captain of *Texas* remain unaltered. The manner and occasion for impressing these views upon the Ottoman Government, however, are matter of expediency in regard to which Embassy has been authorized to use its discretion. Pending settlement of question of jurisdiction you should make appropriate representations to local authorities with a view to securing that the conditions of his imprisonment shall accord with what is due international courtesy in the case of one whose amenability to local jurisdiction is contested by a friendly nation.

KNOX.

File No. 367.114M69/173.

The American Ambassador to the Secretary of State.

[Telegram.]

AMERICAN EMBASSY,
Constantinople, Nov. 12, 1912.

Consul at Smyrna telegraphed me yesterday announcing that sentence was passed on captain of *Texas* and asking telegraphic in-

structions from me. I wired him today, before receipt of your telegram, to report fully proceedings of Court and if appeal had been taken; also whether, offense having been considered a misdemeanor, bail had been asked or granted; and as we had already informed the Sublime Porte that we did not recognize Turkish jurisdiction in case of any civil action against the company based on sentence of captain, summons should not be served on the company; and that neither assessors nor dragomans should reply to Mixed Court for any civil action arising from the present case. I have already drafted note to the Sublime Porte along the general lines of your telegram under acknowledgment.

ROCKHILL.

File No. 367.114M69/175.

The American Ambassador to the Secretary of State.

No. 316.] AMERICAN EMBASSY,
Constantinople, November 14, 1912.

SIR: Referring to my telegram of November 12, I have the honor herewith to enclose copies of the correspondence with the Consul General at Smyrna since the announcement of the sentence passed against Macris. Also enclosed herewith is the Embassy's note verable No. 152, of the 13th instant, to the Porte on the same subject.

As reported to you in my telegram above referred to, your telegraphic instruction of November 11 had not yet been received when the Embassy sent its telegram to Smyrna of November 12. It was afterward textually repeated as directed.

I have [etc.]

W. W. ROCKHILL.

[Inclosure 1—Telegram.]

The American Consul General at Smyrna to the American Ambassador.

AMERICAN CONSULATE GENERAL,
Smyrna, November 10, 1912.

Captain of the *Texas* has been condemned to eighteen months imprisonment. Telegraph instructions.

HORTON.

[Inclosure 2—Telegram.]

The American Ambassador to the American Consul General at Smyrna.

AMERICAN EMBASSY,
Constantinople, November 12, 1912.

Your November 10. Report fully all court proceedings. Has captain appealed against sentence? Now that Court considers offense as misdemeanor, has bail been requested by him and accorded by Court? As Embassy had notified the Sublime Porte that it does not recognize jurisdiction of Ottoman courts, no civil action against the company based on this recent sentence can be admitted. You should therefore serve no summons on company nor send assessors or dragoman to Mixed Court in connection with this affair.

ROCKHILL.

[Inclosure 3—Telegram.]

The American Consul General at Smyrna to the American Ambassador.

AMERICAN CONSULATE GENERAL,
Symrna, November 13, 1912.

Captain was refused bail at the commencement of trial on the ground that the charge brought was too serious. Present sentence based on presumption that the sinking of the *Texas* by whatever cause was due to the criminal negligence on the part of captain, who is also condemned to pay cost of shells but not to [of?] the mine, as sufficient evidence of a mine explosion can not be obtained. At present captain fears to appeal lest he thus recognize jurisdiction of the Court. Consequently cannot make new request following bail. The right of appeal will terminate on ninteenth November.

HORTON.

[Inclosure-4—Note verbale.]

The American Ambassador to the Minister for Foreign Affairs.

AMERICAN EMBASSY,
No. 152.] *Constantinople, November 13, 1912.*

Referring further to the case of the captain of the steamship *Texas*, the property of the Archipelago American Steamship Company sunk on April 29, 1912, and to its several notes on the subject and more especially to its note No. 122 of the 27th of July, 1912,[1] which remains unanswered, the Embassy of the United States of America has the honor to inform the Imperial Ministry for Foreign Affairs that it learns with regret from its Consul General at Smyrna that, notwithstanding the requests and the protests of this Embassy, the Ottoman Court at Smyrna has proceeded with the trial of the said captain and condemned him to 18 months imprisonment.

Under these circumstances this Embassy, while reserving all rights in the premises, hereby enters a solemn protest against the trial and condemnation by the Ottoman Court at Smyrna of Spiro Macris, Captain of the American steamship *Texas*, and it maintains its views in regard to jurisdiction, which, as it has stated by its several notes and for the reasons therein explained, is vested in the American Consular Court at Smyrna.

This Embassy therefore begs to inform the Imperial Ministry that the present case or this condemnation shall never be admitted as a precedent in similar cases, nor that the present sentence, null and void in itself, shall have any effect whatsoever which could in any way work against the Archipelago American Steamship Company.

File No. 367.114M69/178.

The American Ambassador to the Secretary of State.

No. 337.] AMERICAN EMBASSY,
Constantinople, December 2, 1912.

SIR: In continuation of my despatch No. 316 of the 14th ultimo, I now have the honor to transmit a copy of the Porte's reply, of yesterday's date.

I have [etc.] W. W. ROCKHILL.

[Inclosure—Note verbale—Translation.]

The Ministry for Foreign Affairs to the American Embassy.

SUBLIME PORTE,
MINISTRY FOR FOREIGN AFFAIRS,
Constantinople, December 1, 1912.

The Imperial Ministry for Foreign Affairs has had the honor to receive from the Embassy of the United States of America its note verbale No. 152, of

[1] Inclosure with his No. 252 of July 29.

November 13, 1912, concerning the conviction of the captain of the steamship *Texas* by the Ottoman Court at Smyrna.

The Imperial Ministry regrets that it is unable to modify its previous communications on this subject, and at the same time calls attention to the fact that the accident in question *took place in Ottoman waters and not elsewhere*, which renders indisputable the competency of the Ottoman courts in the case.

PROTEST OF THE UNITED STATES AGAINST REQUISITIONS OF AMERICAN PROPERTY BY THE TURKISH GOVERNMENT FOR MILITARY PURPOSES.

File No. 367.11/26.

The Secretary of State to the American Ambassador.

[Telegram.]

DEPARTMENT OF STATE,
Washington, November 19, 1912.

Several American consular officers in Turkey report the seizure of horses belonging to Americans by Ottoman authorities for military purposes. While Department is of opinion that there is insufficient legal basis upon which to rest a formal protest against the requisition of horses in cases of military necessity by the Ottoman authorities, yet you should, in the event that this practice continues, point out to the Sublime Porte that payment must be made in ready money in all such cases, or if this is impracticable, acknowledgment made by receipt with a view to future payment. In cases of requisitions already made, you will demand their return, or that full payment be made, or their acknowledgment by receipt.

The Department is informed that British and German horses have been seized, which in the case of the British were returned to their owners on demand of the British Consul General, and the German Embassy has protested against the seizure of German horses. If it be true that horses belonging to other foreigners have been returned, or if the Ottoman Government has promised not to seize horses belonging to foreigners, you will, of course, in all cases demand most-favored-nation treatment.

KNOX.

File No. 367.11/82.

The American Ambassador to the Secretary of State.

No. 322.] AMERICAN EMBASSY,
Constantinople, November 21, 1912.

SIR: Replying to your telegram dated November 19, concerning the seizure of horses [etc.], I have the honor to enclose herewith copy with translation of the circular note on the subject, dated October 10, 1912, received from the Sublime Porte, and also the note verbale identique dated October 12, 1912, in reply thereto, protesting against the requisition "de vive force" of horses and conveyances belonging to foreign subjects.

Prior to the receipt of the above-mentioned telegram, I instructed our consular officers to demand in all such cases most-favored-nation treatment.

I have [etc.] W. W. ROCKHILL.

[Inclosure 1—Circular note—Translation.]

The Ministry for Foreign Affairs to the American Embassy.

SUBLIME PORTE,
MINISTRY FOR FOREIGN AFFAIRS.
Constantinople, October 10, 1912.

The commission for the purchase and requisition of horses having had occasion to ascertain that certain consulates, surprised in their good faith, have delivered through their chancelleries certificates showing as foreign property horses belonging to Ottoman subjects, the Imperial Ministry will be obliged to the Diplomatic Missions if they will kindly instruct their consular agents to act with more circumspection. It would be desirable above all that no such certificates be delivered for horses of private carriages, which are subject to requisition.

The Imperial authorities have received, on the other hand, severe instructions to see that no irregular proceedings take place.

[Inclosure 2—Identic note verbale.]

The American Embassy to the Ministry for Foreign Affairs.

AMERICAN EMBASSY.
Constantinople, October 12, 1912.

The Embassy of the United States of America has the honor to acknowledge the receipt of the circular note verbale which the Imperial Ottoman Ministry for Foreign Affairs has kindly addressed to it on October 10, and it has not failed to communicate the contents of the said note to the agents placed under its orders.

The American Embassy, however, regrets to see that, in spite of the assurances given by the Sublime Porte at the end of the above note, the military authorities of the Capital, for the past few days, proceed by force to the requisition of horses, chariots and automobiles belonging to foreign subjects.

Consequently the Embassy of the United States begs the Sublime Porte to kindly reiterate urgently its severe instructions to the competent authorities with a view to putting an end to such proceedings, for which it reserves from the present moment to assert any claims of damage and interest which may be presented to it.

File No. 367.11/127.

The American Ambassador to the Secretary of State.

No. 374.] AMERICAN EMBASSY,
Constantinople, January 31, 1913.

SIR: With reference to my despatch No. 322 of November 21, 1912, concerning the requisition by Ottoman authorities, for military purposes, of horses and vehicles belonging to foreign subjects, I have the honor to enclose herewith copies and translations of notes further exchanged between the Sublime Porte and the Embassy on the subject.

I have [etc.] W. W. ROCKHILL.

[Inclosure 1—Identic note verbale.]

The American Embassy to the Ministry for Foreign Affairs.

AMERICAN EMBASSY,
Constantinople, January 25, 1913.

In continuation of its identic note verbale of October 12, 1912, concerning the requisition for war purposes of horses and vehicles belonging to foreign

subjects, and in reply to the observations made by the Sublime Porte on this subject, the Embassy of the United States of America has the honor to point out as follows:

While reserving the question of principle as to the legitimacy from the point of view of the Capitulations, and while admitting, out of considerations of convenience, that the Imperial authorities are justifiable to a certain extent in having recourse to such requisition, the Embassy of the United States of America desires to point out that such requisition, in order that it may be valid and executed in conditions excluding all abuses and irregularities, can take place only with the assistance of the Consulates.

For the same reasons the estimate of requisitioned objects, in view of an indemnity to be paid to the interested party, could not take place under the exclusive direction of the Imperial authorities.

The Embassy of the United States has therefore the honor to beg the Imperial Ministry to kindly issue the necessary orders in order that the requisition and estimate in question be made only in conformity with the above-mentioned principles.

[Inclosure 2—Note verbale—Translation.]

The Ministry for Foreign Affairs to the American Embassy..

SUBLIME PORTE,
MINISTRY FOR FOREIGN AFFAIRS,
Constantinople, January 30, 1913.

The Ministry for Foreign Affairs has the honor to acknowledge the receipt of the Note Verbale which the Embassy of the United States of America has kindly addressed to it on January 25, 1913, for the purpose of formulating certain objections regarding the requisition for war purposes of horses and vehicles belonging to foreign subjects.

In reply, the Imperial Ministry deems it its duty to point out again that foreigners residing in all countries being, equally with the natives, subject to the measure of requisition enacted in time of war, the reservations made by the Embassy of the Republic as to the legitimacy of this measure could in no way be justified.

As to the presence of the consular dragoman during the estimate of the said horses and vehicles, the Imperial Ministry begs to point out that the question of requisition being one of those which are related to the national defense and consequently has an urgent character, it could not admit of consular assistance, especially as the Imperial authorities pay very great attention to the estimate of the value of the horses and vehicles in question, in order to avoid any legitimate claim on the part of foreign nationals.

File No. 367.11/131.

The American Ambassador to the Secretary of State.

No. 429.] AMERICAN EMBASSY,
Constantinople, February 24, 1913.

SIR: Referring to the Embassy's despatch No. 374 of the 31st ultimo, in regard to requisitions made by the Ottoman authorities for war purposes, I have the honor to enclose herewith a copy, with translation, of a note verbale identique on this subject sent recently to the Sublime Porte by the diplomatic missions in this city.

I have [etc.]

W. W. ROCKHILL.

[Inclosure—Identic note verbale.]

The American Embassy to the Ministry for Foreign Affairs.

AMERICAN EMBASSY,
Constantinople, February 22, 1913.

The Embassy of the United States of America regrets being unable to agree with the point of view expressed by the Imperial Ministry in its note verbale dated January 30 last, on the subject of the requisition for war purposes of horses and vehicles belonging to foreign subjects.

The principal object of the communications which the Embassy has had the honor to address to the Imperial Ministry on the question was to assure in these proceedings, in so far as they concern its nationals and under the reserves formulated, the guaranties of a general sort established by the treaties and by custom.

Every sort of requisition, as well as the appraisement for the purpose of offering the interested party a fair compensation, can therefore take place only with the presence of a consular delegate.

It naturally remains understood that the payment for objects requisitioned should be arranged at the very time of the requisition, either in money or by draft accepted by the Imperial Ottoman Bank.

File No. 367.11/146.

The American Ambassador to the Secretary of State.

No. 481.] AMERICAN EMBASSY,
Constantinople, April 29, 1913.

SIR: Referring to the Embassy's despatch No. 429 of February 24, 1913, on the subject of requisitions for war purposes, I have the honor to enclose herewith a copy and translation of the Porte's reply [Enclosure 4] to the note verbale identique therein transmitted; also copies and translations of notes exchanged between the diplomatic missions and the Porte in regard to the occupation of foreigners' houses at San Stefano by Ottoman troops.

I have [etc.]

W. W. ROCKHILL.

[Inclosure 1—Circular notice—Translation.]

The Ministry for Foreign Affairs to the American Embassy.

At the request of certain foreign missions, the Ministry for Foreign Affairs had sent the necessary communications to the Imperial Departments of War and the Interior for the safeguarding of the furniture, as well as articles of value, found in the houses at San Stefano belonging to foreign subjects where soldiers were to be lodged.

In the meantime, the military authorities have informed the Department of the Interior that, in view of the needs of the army, it has been decided to lodge the troops in the unoccupied houses of the locality, but that in order to protect the articles of furniture found there they have ordered that they be placed in a room under seal in the presence of the members of the municipality, the Mouktar and the gendarmes. The said authorities add, however, that if the foreign missions desire it they may send a delegate from their consulates in the cases in which foreigners are interested.

SUBLIME PORTE, MINISTRY FOR FOREIGN AFFAIRS.
Constantinople, March 4, 1913.

[Inclosure 2—Identic note verbale.]

The American Embassy to the Ministry for Foreign Affairs.

AMERICAN EMBASSY,
Constantinople, March 8, 1913.

The Embassy of the United States of America has had the honor to receive the circular notice of the Imperial Ottoman Ministry for Foreign Affairs of March 4, 1913, concerning the requisition of real property at San Stefano.

The Embassy reserves the question of principle relative to the legitimacy of this measure from the point of view of the treaties in force.

At any rate it could not admit that in a case as important as the occupation by troops of houses belonging to foreigners, the inviolability of which is consecrated by express stipulations, the Imperial authorities could of themselves decide the matter without previous agreement with the diplomatic missions.

The Embassy of the United States consequently feels obliged to protest against this proceeding, and to make the most formal reserves in regard to the damages and losses which will result from it for those within its jurisdiction; and declares that from this moment it holds the Imperial Government responsible for the reimbursement of the amount of the damages caused in this connection.

The Embassy of the United States of America regrets that consular assistance, which was provided for in the last paragraph of the above-mentioned notice, and which constitutes not a concession but an unquestionable right, has not been required at the proper time in all the cases which have arisen up to the present.

[Inclosure 3—Circular note verbale—Translation.]

The Ministry of Foreign Affairs to the American Embassy.

SUBLIME PORTE,
MINISTRY FOR FOREIGN AFFAIRS.
Constantinople, April 21, 1913.

The Ministry for Foreign Affairs has had the honor to receive the note verbale identique which the American Embassy addressed to it on the 8th of March last, in regard to the requisition of property at San Stefano belonging to American citizens.

The Commander-in-Chief ad interim of the Imperial Army, upon being informed of this step, calls attention to the fact that in time of mobilization the lodging of troops in the villages where they happen to be is provided for by the Ottoman law, as also by the laws in force in all countries, without this fact entailing the obligation of indemnifying the inhabitants.

The installing of troops in the houses at San Stefano took place by virtue of this rule. The foreign proprietors, who are in questions of real estate assimilated to Ottoman subjects, could not, owing to this fact alone, as well as considerations purely humanitarian, claim an exceptional treatment.

The Imperial Ministry feels obliged to point out that, always solicitous to safeguard foreign interests as far as possible, the Imperial Government decided to have recourse to this measure only when the rigors of winter made themselves felt to an extreme degree.

In bringing what precedes to the knowledge of the American Embassy, the Imperial Ministry is persuaded that it will kindly recognize that there is in this matter a case of force majeure and that, consequently, the Imperial Government could not be held to pay to foreign proprietors in the above-mentioned village an indemnity on the ground of the occupation of their houses.

[Inclosure 4—Circular note verbale—Translation.]

The Ministry for Foreign Affairs to the American Embassy.

SUBLIME PORTE,
MINISTRY FOR FOREIGN AFFAIRS,
Constantinople, April 23, 1913.

The Imperial Ministry for Foreign Affairs has received the note verbale which the Embassy of the United States of America addressed to it the 22nd of February, 1913, in regard to the requisition for the needs of the war of horses and vehicles belonging to foreign subjects.

The Imperial Ministry regrets that it is unable to alter the conclusions expressed in the previous communications on this subject.

In fact, requisitions in the interests of national defense are of an urgent nature and therefore do not permit of consular assistance. Such a method would be impracticable, which the American Embassy in its sentiments of high impartiality will indeed admit.

As for the payment of the compensation for animals or objects requisitioned, the Imperial Ministry hastens to inform the Embassy that the system previously adopted is modified in the sense that the Imperial Ministry of Finance will make the said payment in cash to the interested parties at the end of the war.

File No. 367.11/152.

The American Ambassador to the Secretary of State.

No. 494. AMERICAN EMBASSY,
Constantinople, June 6, 1913.

SIR: Referring to my despatch No. 481 of April 29, 1913, on the subject of requisitions for war purposes, I have the honor to enclose herewith a copy and translation of an identic note verbale sent by the diplomatic missions to the Sublime Porte in reply to its circular note verbale of April 23, 1913 [Inclosure 4 with despatch No. 481], copy of which was transmitted to the Department in my above-mentioned despatch.

I have [etc.]

W. W. ROCKHILL.

[Inclosure—Identic note verbale.]

The American Embassy to the Ministry for Foreign Affairs.

AMERICAN EMBASSY,
Constantinople, June 6, 1913.

The Embassy of the United States of America has the honor to acknowledge the receipt of the circular note verbale of April 23 last, addressed to it by the Imperial Ministry on the subject of the requisition for war purposes of horses and vehicles belonging to foreign subjects.

This Embassy regrets that by reason of experience acquired in this connection it is unable to accept the conclusions of the Sublime Porte in regard to this question and states that it must hold to the reservations and arguments brought forward in its identic notes verbales of the 25th of January [Inclosure 1 with despatch No. 347] and the 22nd of February last [Inclosure with despatch No. 429]. The urgent character of these operations which the Sublime Porte evokes cannot in any way diminish the necessity of recourse to consular assistance.

Finally, the Embassy of the United States of America begs to point out that its above-mentioned note of February 22, has in view not only the requisition of horses and vehicles but every other sort of requisition.

File No. 367.11/154.

The American Ambassador to the Secretary of State.

No. 503.] AMERICAN EMBASSY,
Constantinople, June 17, 1913.

SIR: Referring to my despatch No. 481 of April 29, 1913, wherein I enclosed a copy of the Sublime Porte's circular note verbale of April 21 [inclosure 3 with said despatch] in regard to the occupation by Ottoman troops of the houses of foreigners at San Stefano, I now have the honor to transmit a copy of the identic note verbale sent by the foreign missions in reply to the said note.

W. W. ROCKHILL.

[Inclosure—Identic note verbale.]

The American Embassy to the Ministry for Foreign Affairs.

AMERICAN EMBASSY,
Constantinople, June 17, 1913.

The Embassy of the United States of America has had the honor to receive the note verbale addressed to it by the Imperial Ministry for Foreign Affairs on April 21 last, in regard to the requisition of property at San Stefano belonging to foreign subjects.

In reply, the Embassy of the United States takes the liberty to point out that the assimilation of foreign subjects to Ottoman subjects in matters of real property is limited, according to the provisions of the Protocol annexed to the Law of 7 Sefer, by the privileges granted to foreign subjects, by virtue of the Capitulations, in regard to the inviolability of their domicile. It is therefore inadmissible that the Imperial Ottoman Government should, without previous agreement with the foreign missions, formulate unilateral legal provisions which infringe upon this right.

If the Embassy of the United States, out of deference for the Imperial Ottoman Government, has raised no objections to the requisition of uninhabited foreign properties, it must, on the other hand, insist in the most formal manner that Ottoman troops shall not be lodged in inhabited American houses without a previous agreement between the Embassy of the United States and the Sublime Porte.

As the necessity for reimbursing foreigners for the losses and damages caused by requisitions is recognized in all the literature of international law, the Embassy of the United States of America cannot but reiterate the reservations which it formulated on this subject in its note verbale of March 8th last [inclosure No. 2 in despatch No. 481].

NOTE.—No further correspondence appears in the files of the Department.

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URUGUAY.

ARBITRATION CONVENTION BETWEEN THE UNITED STATES AND URUGUAY.

Signed at Washington, January 9, 1909; ratification advised by the Senate, January 13, 1909; ratified by the President, March 1, 1909; ratified by Uruguay, June 27, 1913; ratifications exchanged at Washington, November 14, 1913; proclaimed, November 15, 1913.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas an Arbitration Convention between the United States of America and the Republic of Uruguay was concluded and signed by their respective Plenipotentiaries at Washington, on the ninth day of January one thousand nine hundred and nine, the original of which Convention, being in the English and Spanish languages, is word for word as follows:

The Government of the United States of America, signatory of the two conventions for the Pacific Settlement of International Disputes, concluded at The Hague, respectively, on July 29, 1899, and October 18, 1907, and the Government of the Republic of Uruguay, adherent to the said convention of July 29, 1899, and signatory of the said convention of October 18, 1907;

Taking into consideration that by Article XIX of the convention of July 29, 1899, and by Article XL of the convention of October 18, 1907, the High Contracting Parties have reserved to themselves the right of concluding Agreements, with a view to referring to arbitration all questions which they shall consider possible to submit to such treatment;

Have authorized the Undersigned to conclude the following Convention:

ARTICLE I.

Differences which may arise of a legal nature, or relating to the interpretation of treaties existing between the two Contracting Parties, and which it may not have been possible to settle by diplomacy, shall be referred to the Permanent Court of Arbitration established at The Hague by the convention of the 29th July, 1899, for the pacific settlement of international disputes, and maintained by The Hague Convention of the 18th October, 1907; provided, nevertheless, that they do not affect the vital interests, the independence, or the honor of the two Contracting States, and do not concern the interests of third Parties.

ARTICLE II.

In each individual case the High Contracting Parties, before appealing to the Permanent Court of Arbitration, shall conclude a

special Agreement, defining clearly the matter in dispute, the scope of the powers of the arbitrators, and the periods to be fixed for the formation of the Arbitral Tribunal and the several stages of the procedure. It is understood that on the part of the United States such special agreements will be made by the President of the United States, by and with the advice and consent of the Senate thereof, and on the part of Uruguay shall be subject to the procedure required by the Constitution and laws thereof.

ARTICLE III.

The present Convention is concluded for a period of five years and shall remain in force thereafter until one year's notice of termination shall be given by either Party.

ARTICLE IV.

The present Convention shall be ratified by the President of the United States of America, by and with the advice and consent of the Senate thereof; and by the President of Uruguay in accordance with the Constitution and laws thereof. The ratifications shall be exchanged at Washington as soon as possible, and the Convention shall take effect on the date of the exchange of its ratifications.

Done in duplicate in the English and Spanish languages at Washington, this 9th day of January, one thousand nine hundred and nine.

ELIHU ROOT [SEAL]
LUIS MELIAN LAFINUR [SEAL]

And whereas the said Convention has been duly ratified on both parts, and the ratifications of the two Governments were exchanged in the City of Washington, on the fourteenth day of November, one thousand nine hundred and thirteen;

Now, therefore, be it known that I, Woodrow Wilson, President of the United States of America, have caused the said Convention to be made public, to the end that the same and every article and clause thereof may be observed and fulfilled with good faith by the United States and the citizens thereof.

In testimony whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the City of Washington this fifteenth day of November in the year of our Lord one thousand nine hundred and [SEAL.] thirteen, and of the Independence of the United States of America the one hundred and thirty-eighth.

WOODROW WILSON

By the President:
WILLIAM JENNINGS BRYAN
Secretary of State.

INTERNATIONAL CONGRESSES HELD IN THE UNITED STATES.

THIRD INTERNATIONAL CONGRESS OF REFRIGERATION.

Held at Washington, D. C., and Chicago, Ill., September 15–24, 1913.

[Report of the proceedings filed in the Library of Congress, TP 490.16, 1913 c.]

FOURTH INTERNATIONAL CONGRESS ON SCHOOL HYGIENE.

Held at Buffalo, N. Y., August 25–30, 1913.

[Report of the proceedings filed in the Library, U. S. Bureau of Education, L 111.A 6.]

INTERNATIONAL CONVENTIONS.

PECUNIARY CLAIMS CONVENTION BETWEEN THE UNITED STATES AND OTHER POWERS, EXTENDING THE DURATION OF THE TREATY FOR THE ARBITRATION OF PECUNIARY CLAIMS SIGNED AT MEXICO ON JANUARY 30, 1902.[1]

Signed at Rio de Janeiro, August 13, 1906; ratification advised by the Senate March 2, 1907; ratified by the President March 13, 1907; ratification of the United States, deposited with the Government of Brazil, April 23, 1907, proclaimed January 28, 1913.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas a Convention between the United States of America and Ecuador, Paraguay, Bolivia, Colombia, Honduras, Panamá, Cuba, the Dominican Republic, Peru, El Salvador, Costa Rica, the United States of Mexico, Guatemala, Uruguay, the Argentine Republic, Nicaragua, the United States of Brazil, and Chile, extending the term of duration of the treaty on pecuniary claims signed at Mexico on January 30, 1902,[2] was concluded and signed by their respective Plenipotentiaries at Rio de Janeiro on the thirteenth day of August, one thousand nine hundred and six, the original of which Convention being in the Portuguese, Spanish, and English languages is word for word as follows:

Their Excellencies, the Presidents of Ecuador, Paraguay, Bolivia, Colombia, Honduras, Panamá, Cuba, the Dominion Republic, Peru, El Salvador, Costa Rica, the United States of Mexico, Guatemala, Uruguay, the Argentine Republic, Nicaragua, the United States of Brazil, the United States of America, and Chile;

Desiring that their respective countries should be represented at the Third International American Conference, sent thereto, duly authorized to approve the recommendations, resolutions, conventions and treaties that they might deem convenient for the interests of America, the following Delegates:

Ecuador—Dr. Emilio Arévalo; Olmedo Alfaro.

Paraguay—Manuel Gondra; Arsenio López Decoud; Gualberto Cardús y Huerta;

Bolivia—Dr. Alberto Gutiérrez; Dr. Carlos V. Romero;

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[1] A treaty for the arbitration of pecuniary claims was signed at Buenos Aires August 11, 1910, ratified by the Senate February 1, 1911, and by the President March 21, 1911, and ratification of the United States deposited with the Government of the Argentine Republic on May 1, 1911; this treaty, when proclaimed, by one of its provisions would replace the treaty here printed, from the time of its expiration.

[2] For. Rel. 1905, pp. 650–653.

Colombia—Rafael Uribe Uribe; Dr. Guillermo Valencia;
Honduras—Fausto Dávila;
Panamá—Dr. José Domingo de Obaldía;
Cuba—Dr. Gonzalo de Quesada; Rafael Montoro; Dr. Antonio González Lanuza;
Dominican Republic—E. C. Joubert;
Peru—Dr. Eugenio Larrabure y Unánue; Dr. Antonio Miró Quesada; Dr. Mariano Cornejo;
El Salvador—Dr. Francisco A. Reyes;
Costa Rica—Dr. Ascensión Esquivel;
United States of Mexico—Dr. Francisco León de La Barra; Ricardo Molina-Hübbe; Ricardo García Granados;
Guatemala—Dr. Antonio Batres Jáuregui;
Uruguay—Luís Melian Lafinur; Dr. Antonio María Rodríguez; Dr. Gonzalo Ramírez;
Argentine Republic—Dr. J. V. González; Dr. José A. Terry; Dr. Eduardo L. Bidau;
Nicaragua—Luís F. Corea;
United States of Brazil—Dr. Joaquim Aurelio Nabuco de Araújo; Dr. Joaquim Francisco de Assis Brasil; Dr. Gastão da Cunha; Dr. Alfredo de Moraes Gomes Ferreira; Dr. João Pandiá Calogeras; Dr. Amaro Cavalcanti; Dr. Joaquim Xavier da Silveira; Dr. José P. da Graça Aranha; Antonio da Fontoura Xavier;
United States of America—William I. Buchanan; Dr. L. S. Rowe; A. J. Montague; Tulio Larrinaga; Dr. Paul S. Reinsch; Van Leer Polk.
Chile—Dr. Anselmo Hevia Riquelme; Joaquín Walker Martínez; Dr. Luís Antonio Vergara; Dr. Adolfo Guerrero;

Who, after having communicated to each other their respective full powers and found them to be in due and proper form, have agreed to celebrate a Convention extending the Treaty on Pecuniary Claims celebrated in Mexico on the thirtieth of January nineteen hundred and two, in the following terms:

The High Contracting Parties, animated by the desire to extend the term of duration of the Treaty on pecuniary claims, signed at Mexico, January thirtieth, nineteen hundred and two, and believing that, under present conditions, the reasons underlying the third article of said Treaty have disappeared, have agreed upon the following:

Sole article. The treaty on pecuniary claims, signed at Mexico, January thirtieth, nineteen hundred and two, shall continue in force, with the exception of the third article, which is hereby abolished, until the thirty-first day of December, nineteen hundred and twelve, both for the nations which have already ratified it, and for those which may hereafter ratify it.

In testimony whereof the Plenipotentiaries and Delegates have signed the present Convention, and affixed the Seal of the Third International American Conference.

Made in the city of Rio de Janeiro the thirteenth of August nineteen hundred and six, in English, Portuguese, and Spanish, and deposited with the Secretary of Foreign Affairs of the United States

of Brazil, in order that certified copies thereof be made, and sent through diplomatic channels to the signatory States.

For Ecuador—Emilio Arévalo, Olmedo Alfaro.
For Paraguay—Manoel Gondra, Arsenio López Decoud, Gualberto Cardús y Huerta.
For Bolivia—Alberto Gutiérrez, Carlos V. Romero.
For Colombia—Rafael Uribe Uribe, Guillermo Valencia.
For Honduras—Fausto Dávila.
For Panamá—José Domingo de Obaldía.
For Cuba—Gonzalo de Quesada, Rafael Montoro, Antonio González Lanuza.
For the Dominican Republic—Emilio C. Joubert.
For Peru—Eugenio Larrabure y Unánue, Antonio Miró Quesada, Mariano Cornejo.
For El Salvador—Francisco A. Reyes.
For Costa Rica—Ascensión Esquivel.
For the United States of Mexico—Francisco León de La Barra, Ricardo Molina-Hübbe, Ricardo García Granados.
For Guatemala—Antonio Batres Jáuregui.
For Uruguay—Luís Melian Lafinur, Antonio María Rodríguez, Gonzalo Ramírez.
For the Argentine Republic—J. V. González, José A. Terry, Eduardo L. Bidau.
For Nicaragua—Luís F. Corea.
For the United States of Brazil—Joaquim Aurelio Nabuco de Araujo, Joaquim Francisco de Assis Brasil, Gastão da Cunha, Alfredo de Moraes Gomes Ferreira, João Pandià Calogeras, Amaro Cavalcanti, Joaquim Xavier da Silveira, José P. da Graça Aranha, Antonio da Fontoura Xavier.
For the United States of America—William I. Buchanan, L. S. Rowe, A. J. Montague, Tulio Larrinaga, Paul S. Reinsch, Van Leer Polk.
For Chile—Anselmo Hevia Riquelme, Joaquín Walker Martínez, Luís Antonio Vergara, Adolfo Guerrero.

I hereby certify that the above and foregoing is a true copy of a convention adopted by the Third International Conference of the American States held at Rio de Janeiro, Brazil, July 23rd to August 27th, 1906.

Done at Washington, D. C., February 7, A. D. 1907.

Joaquim Nabuco
President of the Third International Conference of the American States.

And whereas the said Convention has been duly ratified by the United States of America, (by and with the advice and consent of the Senate thereof) and by the Governments of Colombia, Cuba, Guatemala, the United States of Mexico, Chile, Costa Rica, Nicaragua, Ecuador, Honduras, Panama, and Salvador;

Now, therefore, be it known that I, William Howard Taft, President of the United States of America, have caused the said Convention to be made public, to the end that the same and every article and

clause thereof may be observed and fulfilled with good faith by the United States and the citizens thereof.

In testimony whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the City of Washington this twenty-eighth day of January in the year of our Lord one thousand nine hundred
[SEAL] and thirteenth, and of the independence of the United States of America the one hundred and thirty-seventh.

WM. H. TAFT.

By the President:
P C KNOX
Secretary of State.

CONVENTION BETWEEN THE UNITED STATES AND OTHER POWERS ESTABLISHING THE STATUS OF NATURALIZED CITIZENS WHO AGAIN TAKE UP THEIR RESIDENCE IN THE COUNTRY OF THEIR ORIGIN.

Signed at Rio de Janeiro, August 13, 1906; ratification advised by the Senate, January 13, 1908; ratified by the President, January 16, 1909; ratification of the United States deposited with the Government of Brazil, February 25, 1908; proclaimed, January 28, 1913.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas a Convention between the United States of America and Ecuador, Paraguay, Bolivia, Colombia, Honduras, Panamá, Cuba, Peru, Salvador, Costa Rica, the United States of Mexico, Guatemala, Uruguay, the Argentine Republic, Nicaragua, the United States of Brazil, and Chile, establishing the status of naturalized citizens who again take up their residence in the country of their origin, was concluded and signed by their respective Plenipotentiaries at Rio de Janeiro on the thirteenth day of August, one thousand nine hundred and six, the original of which Convention, being in the Portuguese, Spanish, and English languages, is word for word as follows:

Their Excellencies, the Presidents of Ecuador, Paraguay, Bolivia, Colombia, Honduras, Panamá, Cuba, Peru, El Salvador, Costa Rica, the United States of Mexico, Guatemala, Uruguay, the Argentine Republic, Nicaragua, the United States of Brazil, the United States of America, and Chile;

Desiring that their respective countries should be represented at the Third International American Conference, sent, thereto, duly authorized to approve the recommendations, resolutions, conventions and treaties that they might deem convenient for the interests of America, the following Delegates:

Ecuador—Dr. Emilio Arévalo; Olmedo Alfaro;

Paraguay—Manuel Gondra; Arsenio López Decoud; Gualberto Cardús y Huerta;

Bolivia—Dr. Alberto Gutiérrez; Dr. Carlos V. Romero;

Colombia—Rafael Uribe Uribe; Dr. Guillermo Valencia;
Honduras—Fausto Dávila;
Panamá—Dr. José Domingo de Obaldía;
Cuba—Dr. Gonzalo de Quesada; Rafael Montoro; Dr. Antonio González Lanuza;
Peru—Dr. Eugenio Larrabure y Unánue; Dr. Antonio Miró Quesada; Dr. Mariano Cornejo;
El Salvador—Dr. Francisco A. Reyes;
Costa Rica—Dr. Ascención Esquivel;
United States of Mexico—Dr. Francisco León de La Barra; Ricardo Molina-Hübbe; Ricardo García Granados;
Guatemala—Dr. Antonio Batres Jáuregui;
Uruguay—Luís Melian Lafinur; Dr. Antonio María Rodríguez; Dr. Gonzalo Ramírez;
Argentine Republic—Dr. J. V. González; Dr. José A. Terry; Dr. Eduardo L. Bidau;
Nicaragua—Luís F. Corea;
United States of Brazil—Dr. Joaquim Aurelio Nabuco de Araujo; Dr. Joaquim Francisco de Assis Brasil; Dr. Gastão da Cunha; Dr. Alfredo de Moraes Gomes Ferreira; Dr. João Pandiá Calogeras; Dr. Amaro Cavalcanti; Dr. Joaquim Xavier da Silveira; Dr. José P. da Graça Aranha; Antonio da Fontoura Xavier;
United States of America—William I. Buchanan; Dr. L. S. Rowe; A. J. Montague; Tulio Larrinaga; Dr. Paul S. Reinsch; Van Leer Polk;
Chile—Dr. Anselmo Hevia Riquelme; Joaquín Walker Martínez; Dr. Luís Antonio Vergara; Dr. Adolfo Guerrero;

Who, after having communicated to each other their respective full powers and found them to be in due and proper form, have agreed. to celebrate a Convention establishing the status of naturalized citizens who again take up their residence in the country of their origin, in the following terms:

Art. I. If a citizen, a native of any of the countries signing the present Convention, and naturalized in another, shall again take up his residence in his native country without the intention of returning to the country in which he has been naturalized, he will be considered as having reassumed his original citizenship, and as having renounced the citizenship acquired by the said naturalization.

Art. II. The intention not to return will be presumed to exist when the naturalized person shall have resided in his native country for more than two years. But this presumption may be destroyed by evidence to the contrary.

Art. III. This Convention will become effective in the countries that ratify it, three months from the dates upon which said ratifications shall be communicated to the Government of the United States of Brazil; and if it should be denounced by any one of them, it shall continue in effect for one year more, to count from the date of such denouncement.

Art. IV. The denouncement of this Convention by any one of the signatory States shall be made to the Government of the United States of Brazil and shall take effect only with regard to the country that may make it.

In testimony whereof the Plenipotentiaries and Delegates have signed the present Convention, and affixed the Seal of the Third International American Conference.

Made in the city of Rio de Janeiro the thirteenth of August nineteen hundred and six, in English, Portuguese, and Spanish, and deposited with the Secretary of Foreign Affairs of the United States of Brazil, in order that certified copies thereof be made, and sent through diplomatic channels to the signatory States.

For Ecuador—Emilio Arévalo, Olmedo Alfaro.
For Paraguay—Manoel Gondra, Arsenio López Decoud, Gualberto Cardús y Huerta.
For Bolivia—Alberto Gutiérrez, Carlos V. Romero.
For Colombia—Rafael Uribe Uribe, Guillermo Valencia.
For Honduras—Fausto Dávila.
For Panamá—José Domingo de Obaldía.
For Cuba—Gonzalo de Quesada, Rafael Montoro, Antonio González Lanuza.
For Peru—Eugenio Larrabure y Unánue, Antonio Miró Quesada, Mariano Cornejo.
For El Salvador—Francisco A. Reyes.
For Costa Rica—Ascención Esquivel.
For the United States of Mexico—Francisco León de La Barra, Ricardo Molina-Hübbe, Ricardo García Granados.
For Guatemala—Antonio Batres Jáuregui.
For Uruguay—Luís Melian Lafinur, Antonio María Rodríguez, Gonzalo Ramírez.
For the Argentine Republic—J. V. González, José A. Terry, Eduardo L. Bidau.
For Nicaragua—Luís F. Corea.
For the United States of Brazil—Joaquim Aurelio Nabuco de Araujo, Joaquim Francisco de Assis Brasil, Gastão da Cunha, Alfredo de Moraes Gomes Ferreira, João Pandiá Calogeras, Amaro Cavalcanti, Joaquim Xavier da Silveira, José P. da Graça Aranha, Antonio da Fontoura Xavier.
For the United States of America—William I. Buchanan, L. S. Rowe, A. J. Montague, Tulio Larrinaga, Paul S. Reinsch, Van Leer Polk.
For Chile—Anselmo Hevia Riquelme, Joaquín Walker Martínez, Luís Antonio Vergara, Adolfo Guerrero.

I hereby certify that the above and foregoing is a true copy of a convention adopted by the Third International Conference of the American States held at Rio de Janeiro, Brazil, July 23rd to August 27th, 1906.

Done at Washington, D. C., February 7, A. D. 1907.

Joaquim Nabuco,
President of the Third International Conference of the American States.

And whereas the said Convention has been duly ratified by the United States of America, (by and with the advice and consent of the Senate thereof) and by the Governments of Colombia, Chile, Costa Rica, Nicaragua, Guatemala, Brazil, the United States of

Mexico, Ecuador, Honduras, Panama, Salvador, and the Argentine Republic;

Now, therefore, be it known that I, William Howard Taft, President of the United States of America, have caused the said Convention to be made public, to the end that the same and every article and clause thereof may be observed and fulfilled with good faith by the United States and the citizens thereof.

In testimony whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the City of Washington this twenty-eighth day of January in the year of our Lord one thousand nine hundred and [SEAL.] thirteen, and of the Independence of the United States of America the one hundred and thirty-seventh.

WM. H. TAFT.

By the President:
P. C. KNOX,
Secretary of State.

CONVENTION BETWEEN THE UNITED STATES AND OTHER POWERS FOR THE UNIFICATION OF CERTAIN RULES OF LAW WITH RESPECT TO ASSISTANCE AND SALVAGE AT SEA.[1]

Signed at Brussels, September 23, 1910; ratification advised by the Senate, January 18, 1912; ratified by the President, March 14, 1912; ratification of the United States deposited with the Government of Belgium, January 25, 1913; deposit of ratifications closed February 1, 1913; convention effective March 1, 1913; proclaimed, February 13, 1913.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas a Convention between the United States of America and Germany, the Argentine Republic, Austria-Hungary, Belgium, the United States of Brazil, Chile, Cuba, Denmark, Spain, France, Great Britain, Greece, Italy, Japan, the United Mexican States, Nicaragua, Norway, the Netherlands, Portugal, Roumania, Russia, Sweden and Uruguay, providing for the unification of certain rules of law with respect to assistance and salvage at sea, was concluded and signed by their respective plenipotentiaries at Brussels on the twenty-third day of September, one thousand nine hundred and ten, the original of which Convention, being in the French language is word for word as follows:

[In the publication "Treaty Series, No. 576," from which this is printed, the French text here follows, with a translation in English at page 14, as follows:]

[Translation.]

CONVENTION FOR THE UNIFICATION OF CERTAIN RULES WITH RESPECT TO ASSISTANCE AND SALVAGE AT SEA.

His Majesty the German Emperor, King of Prussia, in the name of the German Empire; the President of the Argentine Republic;

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[1] For the report of the American delegates to the Third International Conference on Maritime Law in regard to this convention, see For. Rel. 1911, p. 14 et seq.

His Majesty the Emperor of Austria, King of Bohemia, etc., and Apostolic King of Hungary; His Majesty the King of the Belgians; the President of the United States of Brazil; the President of the Republic of Chile; the President of the Republic of Cuba; His Majesty the King of Denmark; his Majesty the King of Spain; the President of the United States of America; the President of the French Republic; His Majesty the King of the United Kingdom of Great Britain and Ireland and of the British Dominions beyond the Seas, Emperor of India; His Majesty the King of the Hellenes; His Majesty the King of Italy; His Majesty the Emperor of Japan; the President of the United Mexican States; the President of the Republic of Nicaragua; His Majesty the King of Norway; Her Majesty the Queen of the Netherlands; His Majesty the King of Portugal and of the Algarves; His Majesty the King of Roumania; His Majesty the Emperor of all the Russias; His Majesty the King of Sweden; the President of the Republic of Uruguay.

Having recognized the utility of establishing in common accord certain uniform rules with respect to Assistance and Salvage at Sea, have decided to conclude a Convention to that effect and appointed as their Plenipotentiaries, to wit:

His Majesty the German Emperor, King of Prussia, in the name of the German Empire: Mr. Kracker von Schwartzenfeldt, Chargé d'Affaires of Germany at Brussels; Dr. Struckmann, Regency High Privy Councillor, reporting Counsellor at the Department of Justice.

The President of the Argentine Republic: His Excellency A. Blancas, Envoy Extraordinary and Minister Plenipotentiary of the Argentine Republic near the King of the Belgians.

His Majesty the Emperor of Austria, King of Bohemia, &c. and Apostolic King of Hungary: For Austria and Hungary: His Excellency Count von Clary and Aldringen; His Envoy Extraordinary and Minister Plenipotentiary near the King of the Belgians. For Austria: Dr. Stephen Worms, Section Counsellor at the Imperial and Royal Austrian Ministry of Commerce. For Hungary: Dr. François de Nagy, Secretary of State on the retired list, Ordinary Professor at the Royal University of Budapest, Member of the Hungarian Chamber of Deputies.

His Majesty the King of the Belgians: Mr. Beernaert, Minister of State, President of the International Maritime Committee; Mr. Capelle, Envoy Extraordinary and Minister Plenipotentiary, Director General of Trade Relations and the Consular Service at the Ministry of Foreign Affairs; Mr. Ch. Le Jeune, Vice President of the International Maritime Committee; Mr. Louis Franck, Member of the House of Representatives, Secretary General of the International Maritime Committee; Mr. P. Segers, Member of the House of Representatives.

The President of the United States of Brazil: Dr. Roderigo Octavio de Langgaard Menezes, Professor of the Free Faculty of juridicial and social sciences of Rio de Janeiro, Member of the Brazilian Academy.

The President of the Republic of Chile: His Excellency F. Puga-Borne, Envoy Extraordinary and Minister Plenipotentiary of the Republic of Chile near His Majesty the King of the Belgians.

The President of the Republic of Cuba: Mr. Francisco Zayas y Alfonso, Minister Resident of the Republic of Cuba at Brussels.

His Majesty the King of Denmark: Mr. W. de Grevenkop Castenskiold, Minister Resident of Denmark at Brussels; Mr. Herman Barclay Halkier, member of the bar of the Supreme Court of Denmark.

His Majesty the King of Spain: His Excellency de Baguer y Corsi, His Envoy Extraordinary and Minister Plenipotentiary near His Majesty the King of the Belgians; Don Juan Spottorno, Auditor General of the Royal Navy; Don Ramon Sanchez Ocana, Chief of Division of the Ministry of Justice, former Magistrate of the territorial audiencia court; Don Faustino Alvarez del Manzano, Professor of the Central University of Madrid.

The President of the United States of America: Mr. Walter C. Noyes, Judge of the Circuit Court of the United States at New York; Mr. Charles C. Burlingham, attorney at law, of New York. Mr. A. J. Montague, former Governor of the State of Virginia; Mr. Edwin W. Smith, attorney at law of Pittsburg.

The President of the French Republic: His Excellency Beau, Envoy Extraordinary and Minister Plenipotentiary of the French Republic near His Majesty the King of the Belgians; Mr. Lyon-Caen, member of the Institute, Professor of the Faculty of Law of Paris and of the School of Political Science, President of the French Association of Maritime Law.

His Majesty the King of the United Kingdom of Great Britain and Ireland and of the British Dominions beyond the Seas, Emperor of India: His Excellency Sir Arthur Hardinge, K. C. B., K. C. M. G., His Envoy Extraordinary and Minister Plenipotentiary near His Majesty the King of the Belgians; The Honorable Sir William Pickford, Justice of the High Court of London; Mr. Leslie Scott, King's counsel, of London; The Honorable Hugh Godley, barrister, of London.

His Majesty the King of the Hellenes: Mr. George Diobouniotis, Professor of the University of Athens.

His Majesty the King of Italy: Prince de Castagneto Caracciolo, Chargé d'Affaires of Italy at Brussels; Mr. François Berlingieri, attorney at law, Professor of the University of Genoa; Mr. François Mirelli, Councillor of the Court of Appeals of Naples; Mr. Cesar Vivante, Professor of the University of Rome.

His Majesty the Emporer of Japan: His Excellency K. Nakeshima, His Envoy Extraordinary and Minister Plenipotentiary near His Majesty the King of the Belgians; Mr. Yoshiyuki Irie, Attorney and Counsellor of the Ministry of Justice of Japan; Mr. Takeyuki Ishikawa, Chief of the Division of Maritime Affairs at the Office of Communications of Japan; Mr. M. Matsuda, Second Secretary of the Legation of Japan at Brussels.

The President of the United Mexican States: His Excellency Olarte, Envoy Extraordinary and Minister Plenipotentiary of the United Mexican States near His Majesty the King of the Belgians; Mr. Victor Manuel Castillo, lawyer, Member of the Senate.

The President of the Republic of Nicaragua: Mr. L. Vallez, Consul General of the Republic of Nicaragua at Brussels.

His Majesty the King of Norway: His Excellency Dr. G. F. Hagerup, His Envoy Extraordinary and Minister Plenipotentiary near His Majesty the King of the Belgians; Mr. Christian Theodor Boe, ship owner.

Her Majesty the Queen of the Netherlands: Jonkheer P. R. A. Melvill van Carnbee, Chargé d'Affaires of the Netherlands at Brussels; Mr. W. L. P. A. Molengraaf, L. L. D., Professor of the University of Utrecht; Mr. B. C. J. Loder, L. L. D., Councillor of the Court of Cassation of The Hague; Mr. C. D. Asser, Jr., L. L. D., attorney at law of Amsterdam.

His Majesty the King of Portugal and of the Algarves: Mr. Antonio Duarte de Oliveria Soares, Chargé d'Affaires of Portugal at Brussels.

His Majesty the King of Roumania: His Excellency Djuvara, His Envoy Extraordinary and Minister Plenipotentiary near His Majesty the King of the Belgians.

His Majesty the Emperor of all the Russias: Mr. C. Nabokoff, First Secretary of the Embassy of Russia at Washington.

His Majesty the King of Sweden; His Excellency Count J. J. A. Ehrensvard, His Envoy Extraordinary and Minister Plenipotentiary near His Majesty the King of the Belgians; Mr. Einar Lange, Manager of the Steamship Insurance Society of Sweden.

The President of the Republic of Uruguay: His Excellency Luis Garabelli, Envoy Extraordinary and Minister Plenipotentiary of the Republic of Uruguay near His Majesty the King of the Belgians.

Who, duly authorized thereto, have agreed upon the following:[1]

Article 1.

Assistance and salvage of seagoing vessels in danger of any things on board, of freight and passage money, and also services of the same nature rendered to each other by seagoing vessels and vessels of inland navigation are subject to the following provisions, without any distinction being drawn between the two kinds of service and in whatever waters the services have been rendered.

Article 2.

Every act of assistance or salvage which has had a useful result gives a right to equitable remuneration.

No remuneration is due if the services rendered have no beneficial result.

In no case shall the sum to be paid exceed the value of the property salved.

Article 3.

Persons who have taken part in salvage operations, notwithstanding the express and reasonable prohibition on the part of the vessel to which services were rendered, have no right to any remuneration.

Article 4.

A tug has no right to remuneration for assistance to or salvage of the vessel she is towing or of the vessel's cargo except where she has

[1] This translation of the 19 articles is identical with that transmitted to the Department by the American delegates to the Third International Conference on Maritime Law, and printed in For. Rel. 1911, pp. 14–17.

rendered exceptional services which can not be considered as rendered in fulfilment of the contract of towage.

ARTICLE 5.

Remuneration is due nothwithstanding that the salvage services have been rendered by or to vessels belonging to the same owner.

ARTICLE 6.

The amount of remuneration is fixed by agreement between the parties, and, failing agreement, by the court.

The proportion in which the remuneration is to be distributed among the salvors is fixed in the same manner.

The apportionment of the remuneration among the owner, master, and other persons in the service of each salving vessel is determined by the law of the vessel's flag.

ARTICLE 7.

Every agreement as to assistance or salvage entered into at the moment and under the influence of danger can, at the request of either party, be annulled or modified by the court if it considers that the conditions agreed upon are not equitable.

In all cases, when it is proved that the consent of one of the parties is vitiated by fraud or concealment, or when the remuneration is, in proportion to the services rendered, in an excessive degree too large or too small, the agreement may be annulled or modified by the court at the request of the party affected.

ARTICLE 8.

The remuneration is fixed by the court, according to the circumstances of each case, on the basis of the following considerations: (*a*) First, the measure of success obtained, the efforts and the deserts of the salvors, the danger run by the salved vessel, by her passengers, crew and cargo, by the salvors and by the salving vessel, the time expended, the expenses incurred and losses suffered, and the risks of liability and other risks run by the salvors, and also the value of the property exposed to such risks, due regard being had, the case arising, to the special adaptation of the salvor's vessel; (*b*) second, the value of the property salved.

The same provisions apply to the apportionment provided for by the second paragraph of article 6.

The court may reduce or deny remuneration if it appears that the salvors have by their fault rendered the salvage or assistance necessary, or have been guilty of theft, receiving stolen goods, or other acts of fraud.

ARTICLE 9.

No remuneration is due from the person whose lives are saved, but nothing in this article shall affect the provisions of the national laws on this subject.

Salvors of human life who have taken part in the services rendered on the occasion of the accident, giving rise to salvage or assistance, are entitled to a fair share of the remuneration awarded to the salvors of the vessel, her cargo, and accessories.

ARTICLE 10.

A salvage action is barred after an interval of two years from the day on which the operations of assistance or salvage are terminated.

The grounds upon which the said period of limitation may be suspended or interrupted are determined by the law of the court where the case is tried.

The High Contracting Parties reserve to themselves the right to provide by legislation in their respective countries that the said periods shall be extended in cases where it has not been possible to arrest the vessel assisted or salved in the territorial waters of the State in which the plaintiff has his domicile or principal place of business.

ARTICLE 11.

Every master is bound, so far as he can do so without serious danger to his vessel, her crew and passengers, to render assistance to everybody, even though an enemy, found at sea in danger of being lost.

The owner of the vessel incurs no liability by reason of contravention of the foregoing provision.

ARTICLE 12.

The High Contracting Parties whose legislation does not forbid infringements of the preceding article bind themselves to take or to propose to their respective legislatures the measures necessary for the prevention of such infringements.

The High Contracting Parties will communicate to one another, as soon as possible, the laws or regulations which have already been or may be hereafter promulgated in their States for the purpose of giving effect to the above undertakings.

ARTICLE 13.

The convention does not affect the provisions of national laws or international treaties as regards the organization of services of assistance and salvage by or under the control of public authorities, nor, in particular, does it affect such laws or treaties on the subject of the salvage of fishing gear.

ARTICLE 14.

This convention does not apply to ships of war or to Government ships appropriated exclusively to a public service.

ARTICLE 15.

The provisions of this convention shall be applied as regards all persons interested when either the assisting or salving vessel or the

vessel assisted or salved belongs to one of the contracting States, and in any other cases for which the national laws provide.

Provided always, that:

1. As regards persons interested who belong to a noncontracting State the application of said provisions may be made subject by each of the contracting States to the condition of reciprocity.

2. Where all the persons interested belong to the same State as the court trying the case, the provisions of the national law and not of the convention are applicable.

3. Without prejudice to any wider provisions of any national laws, article 11 only applies as between vessels belonging to the States of the High Contracting Parties.

ARTICLE 16.

Any one of the High Contracting Parties shall have the right three years after this convention comes into force to call for a fresh conference with a view to seeking such ameliorations as may be brought therein, and particularly with a view to extending, if possible, the sphere of its application.

Any power exercising this right must notify its intention to the other powers, through the Belgian Government, which will see to the convening of the conference within six months.

ARTICLE 17.

States which have not signed the convention are allowed to adhere to it on request. Such adhesion shall be notified through the diplomatic channel to the Belgian Government and by the latter to each of the other Governments. It shall become effective one month after the sending of the notification by the Belgian Government.

ARTICLE 18.

The convention shall be ratified.

After an interval of at most one year from the day on which the convention is signed, the Belgian Government shall place itself in communication with the Governments of the High Contracting Parties which have declared themselves prepared to ratify the convention with a view to deciding whether it is expedient to put into force.

The ratification shall, if so decided, be deposited forthwith at Brussels, and the convention shall come into force a month afterwards.

The protocol shall remain open another year in favor of the States represented at the Brussels Conference. After this interval they can only adhere to it on conforming to the provisions of Article 17.

ARTICLE 19.

In the case of one or other of the High Contracting Parties denouncing this convention, such denunciation should not take effect

until a year after the day on which it has been notified to the Belgian Government, and the convention would remain in force as between the other Contracting Parties.

In witness whereof the plenipotentiaries of the respective High Contracting Parties have signed this convention and have affixed their seals thereto.

Done at Brussels, in a single copy, the 23rd September, 1910.

[Here follow signatures.]

Pour copie conforme:

Le President de la Conférence Internationale de Droit Maritime.

A. BEERNAERT.

Certifié par le Secrétaire Général du Ministère des Affaires Étrangères de Belgique.

BRUXELLES, *le 1er décembre 1910.*

BON VAN DER ELST [SEAL]

And whereas the said Convention has been duly ratified by the Government of the United States, by and with the advice and consent of the Senate thereof, and by the Governments of Germany, Austria-Hungary, Belgium, France, Great Britain, Mexico, Netherlands, Roumania, and Russia, and the ratifications of the said Governments were, by the provisions of Article 18 of the said Convention, deposited by their respective plenipotentiaries with the Government of Belgium;

Now therefore be it known that I, William Howard Taft, President of the United States of America, have caused the said Convention to be made public, to the end that the same and every article and clause thereof may be observed and fulfilled with good faith by the United States and the citizens thereof.

In testimony whereof I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the City of Washington this thirteenth day of February in the year of our Lord one thousand nine hundred and [SEAL.] thirteen, and of the Independence of the United States of America the one hundred and thirty-seventh.

WM. H. TAFT.

By the President:

P. C. KNOX,

Secretary of State.

CONVENTION AND FINAL PROTOCOL BETWEEN THE UNITED STATES AND OTHER POWERS FOR THE PROTECTION OF INDUSTRIAL PROPERTY, REPLACING THE PARIS CONVENTION AND FINAL PROTOCOL OF MARCH 20, 1883, THE PROTOCOL OF MADRID OF APRIL 15, 1891, AND THE ADDITIONAL ACT SIGNED AT BRUSSELS ON DECEMBER 14, 1900.[1]

Signed at Washington, June 2, 1911; ratification advised by the Senate, February 6, 1912; ratified by the President, June 20, 1912; ratifications deposited with the Government of the United States, April 1, 1913; proclaimed, April 29, 1913.

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.

A PROCLAMATION.

Whereas a Convention for the protection of industrial property, and revising the Paris Convention of March 20, 1883, as modified by the additional Act signed at Brussels on December 4, 1900, was concluded and signed by the Plenipotentiaries of the United States of America and certain other Powers, members of the International Union for the Protection of Industrial Property, at Washington on the second day of June, one thousand nine hundred and eleven, the original of which Convention, being in the French language, is word for word as follows:

[In the publication "Treaty Series," No. 579, from which this is printed, the French text follows here, with a translation in English at page 17, as follows:]

[Translation.]

INTERNATIONAL UNION FOR THE PROTECTION OF INDUSTRIAL PROPERTY.

CONVENTION OF THE UNION OF PARIS MARCH 20, 1883, FOR THE PROTECTION OF INDUSTRIAL PROPERTY.

Revised at Brussels December 14, 1900, and at Washington June 2, 1911.

His Majesty the Emperor of Germany, King of Prussia, in the name of the German Empire; His Majesty the Emperor of Austria, King of Bohemia, etc. and Apostolic King of Hungary for Austria and for Hungary; His Majesty the King of the Belgians; the President of the United States of Brazil; the President of the Republic of Cuba; His Majesty the King of Denmark; the President of the Dominican Republic; His Majesty the King of Spain; the President of the United States of America; the President of the French Republic; His Majesty the King of the United Kingdom of Great Britain and Ireland and of the British Territories beyond the seas, Emperor of India; His Majesty the King of Italy; His Majesty the Emperor of Japan; the President of the United States of

[1] For the text of the Brussels convention of Dec. 14, 1900, see For. Rel. 1902, pp. 92–97. For correspondence relating to the Paris convention of March 20, 1883, see For. Rel. 1887, p. 1067; For. Rel. 1888, p. 1544; For. Rel. 1889, p. 696. For the text of the Paris convention, see Malloy's Treaties, pp. 1935–1943. For the text of the Madrid protocol (Supplementary Industrial Convention), see Malloy's Treaties, pp. 1943–1944.

Mexico; His Majesty the King of Norway; Her Majesty the Queen of the Netherlands; the President of the Provisional Government of the Republic of Portugal; His Majesty the King of Servia; His Majesty the King of Sweden; the Federal Council of the Swiss Confederation; the Government of Tunis.

Having judged it expedient to make certain modifications and additions to the international Convention of March 20, 1883, concerning the creation of an International Union for the Protection of Industrial Property, revised at Brussels December 14, 1900, have named for their plenipotentiaries, to-wit:

His Majesty the Emperor of Germany, King of Prussia:

M. le Dr. Haniel Von Haimhausen, Conseiller de l'Ambassade de S. M. l'Empereur d'Allemagne à Washington;

M. Robolski, Conseiller supérieur de Régence, Conseiller rapporteur au Département Impérial de l'Intérieur;

M. le Prof. Dr. Albert Osterrieth.

His Majesty the Emperor of Austria, King of Bohemia, etc., and King Apostolic of Hungary:

For Austria and for Hungary:

S. Exc. M. le Baron Ladislas Hengelmueller de Hengervár, son Conseiller Intime, son Ambassadeur Extraordinaire et Plénipotentiaire à Washington.

For Austria:

S. Exc. M. le Dr. Paul Chevalier Beck de Mannagetta et Lerchenau, S. Conseiller intime, Chef de Section au Ministère I. R. des Travaux publics et Président de l'Office I. R. des Brevets d'invention;

For Hungary:

M. Elemér de Pompéry, Conseiller ministériel à l'Office Royal hongrois des Brevets d'invention.

His Majesty the King of the Belgians:

M. Jules Brunet, Directeur général au Ministère des Affaires étrangères;

M. Georges de Ro, Sénateur suppléant, Délégué de la Belgique aux Conférences pour la protection de la Propriété industrielle de Madrid et de Bruxelles;

M. Albert Capitaine, Avocat à la Court d'appel de Liège.

The President of the United States of Brazil:

M. R. de Lima e Silva, Chargé d'Affaires des États-Unis du Brésil à Washington.

The President of the Republic of Cuba:

S. Exec. M. Rivero, Envoyé extraordinaire et Ministre plénipotentiaire de Cuba à Washington.

His Majesty the King of Denmark:

M. Martin J. C. T. Clan, Consul Général du Danemark à New York.

The President of the Dominican Republic:

S. Exc. M. Emilio C. Joubert, Envoyé extraordinaire et Ministre plénipotentiaire de la République Dominicaine à Washington.

His Majesty the King of Spain:

S. Exc. Don Juan Riaño y Gayangos, S. Envoyé extraordinaire et Ministre plénipotentiaire à Washington;

S. Exc. Don Juan Florez Posada, Directeur de l'École des ingénieurs de Madrid.

The President of the United States of America:

M. Edward Bruce Moore, Commissioner of Patents;

M. Frederick P. Fish, Avocat à la Cour suprême de États-Unis et à la Cour suprême de l'Etat de New York;

M. Charles H. Duell, ancien Commissaire des brevets, ancien Juge à la Cour d'appel du District de Colombie, Avocat à la Cour suprême des États-Unis et à la Cour suprême de l'État de New York;

M. Robert H. Parkinson, Avocat à la Cour suprême des Etats-Unis et à la Cour suprême de l'État de l'Illinois;

M. Melville Church, Avocat à la Cour suprême des Etats-Unis.

The President of the French Republic:

M. Lefèvre-Pontalis, Conseiller de l'Ambassade de la République française à Washington;

M. Georges Breton, Directeur de l'Office national de la Propriété industrielle;

M. Michel Pelletier, Avocat à la Cour d'appel de Paris, Délégué aux Conférences pour la protection de la Propriété industrielle de Rome, de Madrid et de Bruxelles;

M. Georges Maillard, Avocat à la Cour d'appel de Paris.

His Majesty the King of the United Kingdom of Great Britain, Ireland and the British Territories Beyond the Seas, Emperor of India:

M. Alfred Mitchell Innes, Conseiller de l'Ambassade de S. M. Britannique à Washington.

Sir Alfred Bateman, K. C. M. G., ancien Comptroller General of Commerce, Labor, and Statistics;

M. W. Temple Franks, Comptroller General of Patents, Designs, and Trademarks.

His Majesty the King of Italy:

Nob. Lazzaro dei Marchesi Negrotto Cambiaso, Conseiller de l'Ambassade de S. M. le Roi d'Italie à Washington;

M. Emilio Venezian, Ingénieur, Inspecteur du Ministère de l'Agriculture, du Commerce et de l'Industrie;

M. le Dr. Giovanni Battista Ceccato, Attaché commercial à l'Ambassade de S. M. le Roi d'Italie à Washington.

His Majesty the Emperor of Japan:

M. K. Matsui, Conseiller de l'Ambassade de S. M. l'Empereur du Japon à Washington;

M. Morio Nakamatsu, Directeur de l'Office des brevets.

The President of the United States of Mexico:

M. José de las Fuentes, Ingénieur, Directeur de l'Office des brevets.

His Majesty the King of Norway:

M. L. Aubert, Secrétaire de la Légation de S. M. le Roi de Norvège à Washington.

Her Majesty the Queen of the Netherlands:

M. le Dr. F. W. J. G. Snyder van Wissenkerke, Directeur de l'Office de la Propriété industrielle, Conseiller au Ministère de la Justice.

The President of the Provisional Government of the Republic of Portugal:

S. Exc. le Vicomte de Alte, Envoyé Extraordinaire et Ministre Plénipotentiaire du Portugal à Washington.

His Majesty the King of Servia:

His Majesty the King of Sweden:

S. Exc. M. le Compte Albert Ehrensvärd, Son Envoyé extraordinaire et Ministre plénipotentiaire à Washington.

The Federal Council of the Swiss Confederation:

S. Exc. M. Paul Ritter, Envoyé extraordinaire et Ministre plénipotentiaire de Suisse à Washington;

M. W. Kraft, Adjoint du Bureau Fédéral de la Propriété Intellectuelle à Berne;

M. Henri Martin, Secrétaire de la Légation de Suisse à Washington.

The President of the French Republic for Tunis:

M. de Peretti de la Rocca, Premier Secrétaire de l'Ambassade de la République française à Washington.

Who, after having been given their full respective powers, made in good and due form, have agreed upon the following articles:

ARTICLE 1.

The contracting countries constitute a state of Union for the protection of industrial property.

ARTICLE 2.

The subjects or citizens of each of the contracting countries shall enjoy, in all the other countries of the Union, with regard to patents of invention, models of utility, industrial designs or models, trademarks, trade names, the statements of place of origin, suppression of unfair competition, the advantages which the respective laws now grant or may hereafter grant to the citizens of that country. Consequently, they shall have the same protection as the latter and the same legal remedies against any infringements of their rights, provided they comply with the formalities and requirements imposed by the National laws of each State upon its own citizens. Any obligation of domicile or of establishment in the country where the protection is claimed shall not be imposed on the members of the Union.

ARTICLE 3.

The subjects or citizens of countries which do not form part of the Union, who are domiciled or own effective and bona fide industrial or commercial establishments in the territory of any of the countries of the Union, shall be assimilated to the subjects or citizens of the contracting countries.

ARTICLE 4.

(*a*) Any person who shall have duly filed an application for a patent, utility model, industrial design or model, or trademark, in one of the contracting countries, or the successor or assignee of such person shall enjoy, for the purpose of filing application in the other countries, and subject to the rights of third parties, a right of priority during the periods hereinafter specified.

(*b*) Consequently, the subsequent filing in one of the other countries of the Union, prior to the expiration of such periods, shall not

be invalidated by acts performed in the interval, especially by another application, by publication of the invention or the working of the same, by the sale of copies of the design or model, nor by the use of the mark.

(*c*) The periods of priority above referred to shall be twelve months for patents and models of utility and four months for industrial designs and models as also for trademarks.

(*d*) Whoever shall wish to avail himself of the priority of an anterior filing, shall be required to make a declaration showing the date and the country of this filing. Each country shall determine at what moment, at the latest, this declaration must be executed. This information shall be mentioned in the publications issued by the competent Administration, particularly on patents and the specifications relative thereto. The contracting countries shall require of one who makes a declaration of priority the production of a copy of the application (specification, drawing, etc.) previously filed, certified to be a true copy by the Administration which shall have received it. This copy shall be dispensed from any legalisation. It may be required that it be accompanied by a certificate of the date of filing, issuing from this Administration, and of a translation. Other formalities shall not be required for the declaration of priority at the time of the filing of the application. Each contracting country shall determine the consequences of the omission of the formalities prescribed by the present article, unless these consequences exceed the loss of the right of priority.

(*e*) Later other justifications can be demanded.

Article 4½

Patents applied for in the different contracting countries by persons admitted to the benefit of the Convention in the terms of articles 2 and 3, shall be independent of the patents obtained for the same invention in the other countries, adherent or not to the Union.

This provision shall be understood in an absolute manner, particularly in the sense that the patents applied for during the term of priority are independent, as much from the point of view of the causes of nullity and of forfeiture as from the point of view of the normal duration.

It applies to all patents existing at the time of entrance into force.

It shall be likewise, in case of accession of new countries, for patents existing on both sides at the time of accession.

Article 5.

The importation, by the patentee, into the country where the patent has been granted, of articles manufactured in any of the countries of the Union shall not entail forfeiture.

However, the patentee shall be obliged to work his patent according to the laws of the country into which he introduces the patented objects, but with the restriction that the patent shall not be liable to forfeiture because of non-working in one of the countries of the Union until after a term of three years, from the date of the filing of the application in that country, and only in case the patentee shall fail to show sufficient cause for his inaction.

ARTICLE 6.

Every trademark regularly registered in the country of origin shall be admitted to registration and protected as that in the other countries of the Union.

However, there may be refused or invalidated:

1. Marks which are of a nature to infringe rights acquired by third parties in the country where protection is claimed.

2. Marks devoid of all distinctive character, or even composed exclusively of signs or data which may be used in commerce, to designate the kind, quality, quantity, destination, value, place of origin of the products or the time of production, or become common in the current language or the legal and steady customs of commerce of the country where the protection is claimed.

In the estimation of the distinctive character of a mark, all the circumstances existing should be taken into account, particularly the duration of the use of the mark.

3. Marks which are contrary to morals or public order.

The country where the applicant has his principal establishment shall be considered as the country of origin.

If this principal establishment is not located in one of the countries of the Union, that to which the applicant belongs shall be considered as country of origin.

ARTICLE 7.

The nature of the product on which the trademark is to be applied cannot, in any case, be an obstacle to the filing of the mark.

ARTICLE 7½.

The contracting countries agree to admit for filing and to protect marks belonging to associations the existence of which is not contrary to the law of the country of origin, even if these associations do not possess an industrial or commercial establishment.

Each country shall be judge of the special conditions under which an association may be admitted to have the marks protected.

ARTICLE 8.

Trade names shall be protected in all the countries of the Union without the obligation of filing, whether it be a part or not of a trademark.

ARTICLE 9.

Any product bearing illegally a trademark or a trade name shall be seized at importation in those of the countries of the Union in which this mark or this trade name may have a right to legal protection.

If the laws of a country do not admit of seizure on importation, the seizure shall be replaced by prohibition of importation.

The seizure shall be likewise effected in the country where illegal affixing shall have been made, or in the country into which the product shall have been imported.

The seizure shall be made at the request of the public ministry, or any other competent authority, or by an interested party, individual or society, in conformity to the interior laws of each country.

The authorities shall not be required to make the seizure in transit.

If the laws of a country admit neither of the seizure on importation nor the prohibition of importation, nor seizure in said country, these measures shall be replaced by the acts and means which the law of such country would assure in like case to its own citizens.

ARTICLE 10.

The provisions of the preceding article shall be applicable to any product bearing falsely, as indication of place of production, the name of a definite locality, when this indication shall be joined to a fictitious or borrowed trade name with an intention to defraud.

The interested party is considered any producer, manufacturer or merchant, engaged in the production, manufacture or commerce of such product, and established either in the locality falsely indicated as place of production or in the region where this locality is situated.

ARTICLE 10½.

All the contracting countries agree to assure to the members of the Union an effective protection against unfair competition.

ARTICLE 11.

The contracting countries shall accord, in conformity with their national laws, a temporary protection to patentable inventions, working models, industrial models or designs, as well as to trademarks, for products exhibited at international expositions, official or officially recognized, organized in the territory of one of them.

ARTICLE 12.

Each of the contracting countries agrees to establish a special service for Industrial Property and a central office for the communication to the public of patents, working models, industrial models or designs and trademarks.

This service shall publish, as often as possible, an official periodical.

ARTICLE 13.

The international Office instituted at Berne under the name of "Bureau international pour la protection de la Propriété industrielle" is placed under the high authority of the Government of the Swiss Confederation, which regulates its organization and supervises its operation.

The international Bureau shall centralize information of any nature relative to the protection of industrial property, and form it in a general statistical report which shall be distributed to all Administrations. It shall proceed to considerations of common utility interesting to the Union and shall edit, with the aid of the docu-

ments put at its disposal by the different Administrations, a periodical in the French language on questions concerning the object of the Union.

Numbers of this periodical, like all the documents published by the international Bureau, shall be distributed among the Administrations of the countries of the Union, in proportion to the number of contributive units mentioned below. Copies and supplementary documents which shall be requested, either by the said Administrations, or by societies or individuals, shall be paid for separately.

The international Bureau shall hold itself at all times at the disposition of the members of the Union, to furnish them special information of which they may have need, on the questions relative to the international service of industrial property. It shall make an annual report of its management which shall be communicated to all members of the Union.

The official language of the international Bureau shall be French.

The expense of the international Bureau shall be borne in common by the contracting countries. They may not, in any case, exceed the sum of sixty thousand francs per year.

In order to determine the contributive part of each of the countries in this sum total of the expenses, the contracting countries and those which later join the Union shall be divided into six classes, each contributing in proportion to a certain number of units, to-wit:

	Units.
Class 1	25
Class 2	20
Class 3	15
Class 4	10
Class 5	5
Class 6	3

These coefficients shall be multiplied by the number of countries of each class, and the sum of the products thus obtained will furnish the number of units by which the total expenses are to be divided. The quotient will give the amount of the unit of expense.

Each of the contracting countries shall designate at the time of its accession, the class in which it wishes to be ranked.

The Government of the Swiss Confederation shall supervise the expenses of the international Bureau, make necessary advances and draw up annual statements of accounts which shall be communicated to all the other Administrations.

ARTICLE 14.

The present Convention shall be submitted to periodical revisions with a view to introducing improvements in it of a nature to perfect the system of the Union.

To this end Conferences of the delegates of the contracting countries shall be held successively in one of the said countries.

The Administration of the country where the Conference is to be held shall prepare, with the concurrence of the international Bureau the works of such Conference.

The Director of the international Bureau will assist at the meetings of the Conference and take part in the discussions without a vote.

ARTICLE 15.

It is understood that the contracting countries reserve to themselves respectively the right to make separately, between themselves, special arrangements for the protection of industrial Property, in so far as these arrangements may not interfere with the provisions of the present Convention.

ARTICLE 16.

The countries which has not taken part in the present Convention shall be permitted to adhere to it upon their request.

Notice of adhesion shall be made through diplomatic channels to the Government of the Swiss Confederation, and by the latter to all the others.

It shall entail complete adhesion to all the clauses and admission to all the advantages stipulated by the present Convention, and shall take effect one month after the notification made by the Government of the Swiss Confederation to the other unionist countries, unless a later date shall have been indicated by the adhering country.

ARTICLE 16½.

The contracting countries have the right to adhere at any time to the present Convention for their colonies, possessions, dependencies and protectorates, or for certain ones of them.

They may, to this end, either make a general declaration by which all their colonies, possessions, dependencies and protectorates are included in the adherence, or expressly name those included therein, or simply indicate those excluded from it.

This declaration shall be made in writing to the Government of the Swiss Confederation and by the latter made to all the others.

The contracting countries can, under like conditions, renounce the Convention for their colonies, possessions, dependencies and protectorates, or for certain ones of them.

ARTICLE 17.

The fulfillment of the reciprocal obligations contained in the present Convention is subordinated, in so far as need be, to compliance with the formalities and regulations established by the constitutional laws of those of the contracting countries which are bound to secure the application of the same which they engage to do with the least possible delay.

ARTICEE 17½.

The Convention shall remain in force an indefinite time, until the expiration of one year from the day when the renunciation shall be made.

This renunciation shall be addressed to the Government of the Swiss Confederation. It shall affect only the country giving such notice, the Convention remaining operative as to the other contracting countries.

ARTICLE 18.

The present Act shall be ratified, and the ratification filed in Washington, at the latest, April 1, 1913. It shall be put into execution, among the countries which shall have ratified it, one month after the expiration of this period of time.

This Act, with its Final Protocol, shall replace, in the relations of the countries which shall have ratified it: The Convention of Paris, March 20, 1883; the Final Protocol annexed to that Act; the Protocol of Madrid, April 15, 1891, relating to the dotation of the international Bureau; and the additional Act of Brussels, December 14, 1900. However, the Acts cited shall remain binding on the countries which shall not have ratified the present Act.

ARTICLE 19.

The present Act shall be signed in a single copy, which shall be filed in the archives of the Government of the United States. A certified copy shall be sent by the latter to each of the unionist Governments.

In Witness Whereof, the respective Plenipotentiaries have signed the present Act.

Done at Washington, in a single copy, the second day of June, 1911.

For Germany: HANIEL VON HAIMHAUSEN. H. ROBOLSKI. ALBERT OSTERRIETH.

For Austria and for Hungary: L. BARON DE HENGELMÜLLER. *Ambassadeur d' Autriche-Hongrie.*

For Austria: DR. PAUL CHEVALIER BECK. DE MANNAGETTA ET LERCHENAU, *Chef de Section et Président de l'Office I. R. des Brevets d'invention.*

For Hungary: ELEMÉR DE POMPÉRY, *Conseiller ministériel à l'Office Royal hongrois Brevets d'invention.*

For Belgium: J. BRUNET, GEORGES DE RO, CAPITAINE.

For Brazil: R. DE LIMA E SILVA.

For Cuba: ANTONIO MARTIN RIVERO.

For Denmark: J. CLAN.

For the Dominican Republic: EMILIO C. JOUBERT.

For Spain: JUAN RIAÑO Y GAYANGOS, J. FLOREZ POSADA.

For the United States of America: EDWARD BRUCE MOORE, MELVILLE CHURCH, CHARLES H. DUELL, ROBT. H. PARKINSON, FREDERICK P. FISH.

For France: PIERRE LEFÈVRE-PONTALIS, G. BRETON, MICHEL PELLETIER, GEORGES MAILLARD.

For Great Britain: A. MITCHELL INNES, A. E. BATEMAN, W. TEMPLE FRANKS.

For Italy: LAZZARO NEGROTTO CAMBIASO, EMILIO VENEZIAN, G. B. CECCATO.

For Japan. K. MATSUI, MORIO NAKAMATSU.

For the United States of Mexico: J. DE LAS FUENTES.

For Norway: LUDWIG AUBERT.

For the Netherlands: SNYDER VÁN WISSENKERKE.

For Portugal: J. F. H. M. DA FRANCA, Vte. D'ALTE.

For Servia: ——— ———.

For Sweden: ALBERT EHRENSVARD.
For Switzerland: P. RITTER, W. KRAFT, HENRI MARTIN.
For Tunis: E. DE PERETTI DE LA ROCCA.

FINAL PROTOCOL.

At the time of proceeding to the signing of the Act concluded on this day, the undersigned Plenipotentiaries are agreed upon the following:

AD. ARTICLE 1.

The words "Propriété industrielle" (Industrial Property) shall be taken in their broadest acceptation; they extend to all production in the domain of agricultural industries (wines, grains, fruits, animals, etc.), and extractives (minerals, mineral waters, etc.).

AD. ARTICLE 2.

(*a*) Under the name of patents are comprised the different kinds of industrial patents admitted by the laws of the contracting countries, such as patents of importation, patents of improvement, etc., for the processes as well as for the products.

(*b*) It is understood that the provision in Article 2 which dispenses the members of the Union from the obligation of domicile and of establishment has an interpretable character and must, consequently, be applied to all the rights granted by the Convention of March 20, 1883, before the entrance into force of the present Act.

(*c*) It is understood that the provisions of Article 2 do not infringe the laws of each of the contracting countries, in regard to the procedure followed before the courts and the competency of those courts, as well as the election of domicile or the declaration of the selection of an attorney required by the laws on patents, working models, marks, etc.

AD ARTICLE 4.

It is understood that, when an industrial model or design shall have been filed in a country by virtue of the right of priority based on the filing of a working model, the term of priority shall be only that which Article 4 has fixed for industrial models and designs.

AD ARTICLE 6.

It is understood that the provision of the first paragraph of Article 6 does not exclude the right to require of the depositor a certificate of regular registration in the country of origin, issued by competent authority.

It is understood that the use of badges, insignia or public decorations which shall not have been authorized by competent powers, or the use of official signs and stamps of control and of guaranty adopted by a unionist country, may be considered as contrary to public order in the sense of No. 3 of Article 6.

However, marks which contain, with the authorization of competent powers, the reproduction of badges, decorations or public insignia, shall not be considered as contrary to public order.

It is understood that a mark shall not be considered as contrary to public order for the sole reason that it is not in conformity with some provision of laws on marks, except in the case where such provision itself concerns public order.

The present Final Protocol, which shall be ratified at the same time as the Act concluded on this day, shall be considered as forming an integral part of this Act, and shall be of like force, value and duration.

In Witness Whereof, the respective Plenipotentiaries have signed the present Protocol.

Done at Washington, in a single copy, June 2, 1911.

HANIEL VON HAIMHAUSEN. H. ROBOLSKI. ALBERT OSTERRIETH. L. BARON DE HENGELMÜLLER. DR. PAUL CHEVALIER BECK DE MANNAGETTA ET LERCHENAU. ELEMÉR POMPÉRY. J. BRUNET. GEORGES DE RO. CAPITAINE. R. DE LIMA E SILVA. J. CLAN. JUAN RIAÑO Y GAYANGOS. J. FLOREZ POSADA. EDWARD BRUCE MOORE. MELVILLE CHURCH. CHARLES H. DUELL. FREDERICK P. FISH. ROBT. H. PARKINSON. EMILIO C. JOUBERT. PIERRE LEFÈVRE-PONTALIS. MICHEL PELLETIER. G. BRETON. GEORGES MAILLARD. A. MITCHELL INNES. A. E. BATEMAN. W. TEMPLE FRANKS. LAZZARO NEGROTTO CAMBIASO. EMILIO VENEZIAN. G. B. CECCATO. K. MATSUI. MORIO NAKAMATSU. J. DE LAS FUENTES. SNYDER VAN WISSENKERKE. J. F. H. M. DA FRANCA, VTE. D'ALTE. ALBERT EHRENSVÄRD. P. RITTER. W. KRAFT. HENRI MARTIN. E. DE PERETTI DE LA ROCCA. LUDWIG AUBERT. ANTONIO MARTIN RIVERO.

And whereas the said Convention has been duly ratified by the United States of America, Germany, Austria-Hungary, the Dominican Republic, Spain, the French Republic, Great Britain, Italy, Japan, the United Mexican States, Norway, the Netherlands, Portugal, Switzerland, and Tunis, and the ratifications were deposited with the Government of the United States, on the first day of April, one thousand nine hundred and thirteen;

Now, therefore, be it known that I, Woodrow Wilson, President of the United States of America, have caused the said Convention to be made public, to the end that the same and every article and clause thereof may be observed and fulfilled with good faith by the United States and the citizens thereof.

In testimony whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the City of Washington this twenty-ninth day of April in the year of our Lord one thousand nine hundred and thirteen, and of the Independence of the United States of America the one hundred and thirty-seventh.

[SEAL.] WOODROW WILSON.

By the President:

JOHN B. MOORE,
Acting Secretary of State.

RADIOTELEGRAPH CONVENTION BETWEEN THE UNITED STATES AND OTHER POWERS. FINAL PROTOCOL. SERVICE REGULATIONS AND SUPPLEMENTS THERETO.[1]

Signed at London, July 5, 1912; ratification advised by the Senate, January 22, 1913; ratified by the President, February 5, 1913; ratification of the United States deposited with the Government of Great Britain, February 20, 1913; proclaimed, July 8, 1913.

By the President of the United States of America.

A PROCLAMATION.

Whereas a Radiotelegraphic Convention, with the Final Protocol and Service Regulations, between the United States and other Governments was concluded and signed by their respective Plenipotentiaries at London on the fifth day of July, one thousand nine hundred and twelve, the originals of which Convention, Final Protocol and Service Regulations, being in the French language, are word for word as follows:

[In the publication "Treaty Series, No. 581," from which this is printed, the French text here follows, with a translation in English at page 40, as follows:]

[Translation.]

International Radiotelegraph Convention concluded between Germany and the German Protectorates, the United States of America and the Possessions of the United States of America, the Argentine Republic, Austria, Hungary, Bosnia-Herzegovina, Belgium, the Belgian Congo, Brazil, Bulgaria, Chile, Denmark, Egypt, Spain and the Spanish Colonies, France and Algeria, French West Africa, French Equatorial Africa, Indo-China, Madagascar, Tunis, Great Britain and the various British Colonies and Protectorates, the Union of South Africa, the Australian Federation, Canada, British India, New Zealand, Greece, Italy and the Italian Colonies, Japan and Chosen, Formosa, Japanese Sakhalin and the leased territory of Kwantung, Morocco, Monaco, Norway, the Netherlands, the Dutch Indies and the Colony of Curaçao, Persia, Portugal and the Portuguese Colonies, Roumania, Russia and the Russian Possessions and Protectorates, The Republic of San Marino, Siam, Sweden, Turkey, and Uruguay.

The undersigned, plenipotentiaries of the Governments of the countries enumerated above, having met in conference at London, have agreed on the following Convention, subject to ratification:

Article 1.

The High Contracting Parties bind themselves to apply the provisions of the present Convention to all radio stations (both coastal stations and stations on shipboard) which are established or worked

[1] See For. Rel. 1912, pp. 444–466, for the Wireless Telegraph Convention signed at Berlin, November 3, 1906, and proclaimed May 25, 1912. It was superseded by the convention here printed.

by the Contracting Parties and open to public service between the coast and vessels at sea.

They further bind themselves to make the observance of these provisions obligatory upon private enterprises authorized either to establish or work coastal stations for radiotelegraphy open to public service between the coast and vessels at sea, or to establish or work radio stations, whether open to general public service or not, and board of vessels flying their flag.

ARTICLE 2.

By "coastal stations" is to be understood every radio station established on shore or on board a permanently moored vessel used for the exchange of correspondence with ships at sea.

Every radio station established on board any vessel not permanently moored is called a "station on shipboard."

ARTICLE 3.

The coastal stations and the stations on shipboard shall be bound to exchange radiograms without distinction of the radio system adopted by such stations.

Every station on shipboard shall be bound to exchange radiograms with every other station on shipboard without distinction of the radio system adopted by such stations.

However, in order not to impede scientific progress, the provisions of the present Article shall not prevent the eventual employment of a radio system incapable of communicating with other systems, provided that such incapacity shall be due to the specific nature of such system and that it shall not be the result of devices adopted for the sole purpose of preventing intercommunication.

ARTICLE 4.

Notwithstanding the provisions of Article 3, a station may be reserved for a limited public service determined by the object of the correspondence or by other circumstances independent of the system employed.

ARTICLE 5.

Each of the High Contracting Parties undertakes to connect the coastal stations to the telegraph system by special wires, or, at least, to take other measures which will insure a rapid exchange between the coastal stations and the telegraph system.

ARTICLE 6.

The High Contracting Parties shall notify one another of the names of coastal stations and stations on shipboard referred to in Article 1, and also of all data, necessary to facilitate and accelerate the exchange of radiograms, as specified in the Regulations.

ARTICLE 7.

Each of the High Contracting Parties reserves the right to prescribe or permit at the stations referred to in Article 1, apart from the installation the data of which are to be published in conformity with Article 6, the installation and working of other devices for the purpose of establishing special radio communication without publishing the details of such devices.

ARTICLE 8.

The working of the radio stations shall be organized as far as possible in such manner as not to disturb the service of other radio stations.

ARTICLE 9.

distress from whatever source, to similarly answer such calls and to
Radio stations are bound to give absolutely priority to calls of take such action with regard thereto as may be required.

ARTICLE 10.

The charge for a radiogram shall comprise, according to the circumstances:

1. (a) The coastal rate, which shall fall to the coastal station;
(b) The shipboard rate, which shall fall to the shipboard station.
2. The charge for transmission over the telegraph lines, to be computed according to the ordinary rules.
3. The charges for transit through the intermediate coastal or shipboard stations and the charges for special services requested by the sender.

The coastal rate shall be subject to the approval of the Government of which the coastal station is dependent, and the shipboard rate to the approval of the Government of which the ship is dependent.

ARTICLE 11.

The provisions of the present Convention are supplemented by Regulations, which shall have the same force and go into effect at the same time as the Convention.

The provisions of the present Convention and of the Regulations relating thereto may at any time be modified by the High Contracting Parties by common consent. Conferences of plenipotentiaries having power to modify the Convention and the Regulations, shall take place from time to time; each conference shall fix the time and place of the next meeting.

ARTICLE 12.

Such conferences shall be composed of delegates of the Governments of the contracting countries.

In the deliberations each country shall have but one vote.

If a Government adheres to the Convention for its colonies, possessions or protectorates, subsequent conferences may decide that such

colonies, possessions or protectorates, or a part thereof, shall be considered as forming a country as regards the application of the preceding paragraph. But the number of votes at the disposal of one Government, including its colonies, possessions or protectorates, shall in no case exceed six.

The following shall be considered as forming a single country for the application of the present Article;

German East Africa
German Southwest Africa
Kamerun
Togo Land
German Protectorates in the Pacific
Alaska
Hawaii and the other American possessions in Polynesia
The Philippine Islands
Porto Rico and the American possessions in the Antilles
The Panama Canal Zone
The Belgian Congo
The Spanish Colony of the Gulf of Guinea
French East Africa
French Equatorial Africa
Indo-China
Madagascar
Tunis
The Union of South Africa
The Australian Federation
Canada
British India
New Zealand
Eritrea
Italian Somaliland
Chosen, Formosa, Japanese Sakhalin and the leased territory of Kwantung.
The Dutch Indies.
The Colony of Curaçao.
Portuguese West Africa
Portuguese East Africa and the Portuguese possessions in Asia
Russian Central Asia (littoral of the Caspian Sea)
Bokhara
Khiva
Western Siberia (littoral of the Arctic Ocean)
Eastern Siberia (littoral of the Pacific Ocean).

ARTICLE 13.

The International Bureau of the Telegraph Union shall be charged with collecting, coordinating and publishing information of every kind relating to radiotelegraphy, examining the applications for changes in the Convention or Regulations, promulgating the amendments adopted, and generally performing all administrative work referred to it in the interest of international radiotelegraphy.

The expense of such institution shall be borne by all the contracting countries.

ARTICLE 14.

Each of the High Contracting Parties reserves to itself the right of fixing the terms on which it will receive radiograms proceeding from or intended for any station, whether on shipboard or coastal, which is not subject to the provisions of the present Convention.

If a radiogram is received the ordinary rates shall be applicable to it.

Any radiogram proceeding from a station on shipboard and received by a coastal station of a contracting country, or accepted in transit by the administration of a contracting country, shall be forwarded.

Any radiogram intended for a vessel shall also be forwarded if the administration of the contracting country has accepted it originally or in transit from a non-contracting country, the coastal station reserving the right to refuse transmission to a station on shipboard subject to a non-contracting country.

ARTICLE 15.

The provisions of Articles 8 and 9 of this Convention are also applicable to radio installation other than those referred to in Article 1.

ARTICLE 16.

Governments which are not parties to the present Convention shall be permitted to adhere to it upon their request. Such adherence shall be communicated through diplomatic channels to the contracting Government in whose territory the last conference shall have been held, and by the latter to the remaining Governments.

The adherence shall carry with it to the fullest extent acceptance of all the clauses of this Convention and admission to all the advantages stipulated therein.

The adherence to the Convention by the Government of a country having colonies, possessions or protectorates shall not carry with it the adherence of its colonies, possessions or protectorates unless a declaration to that effect is made by such Government. Such colonies, possessions and protectorates, as a whole or each of them, separately, may form the subject of a separate adherence or a separate denunciation within the provisions of the present Article and of Article 22.

ARTICLE 17.

The provisions of Articles 1, 2, 3, 5, 6, 7, 8, 11, 12 and 17 of the International Telegraph Convention of St. Petersburg of July 10–22, 1875, shall be applicable to international radiotelegraphy.

ARTICLE 18.

In case of disagreement between two or more contracting Governments regarding the interpretation or execution of the present Convention or of the Regulations referred to in Article 11, the question in dispute may, by mutual agreement, be submitted to arbitration.

In such case each of the Governments concerned shall choose another Government not interested in the question at issue.

The decision of the arbiters shall be arrived at by the absolute majority of votes.

In case of a division of votes, the arbiters shall choose, for the purpose of settling the disagreement, another contracting Government which is likewise a stranger to the question at issue. In case of failure to agree on a choice, each arbiter shall propose a disinterested contracting Government and lots shall be drawn between the Governments proposed. The drawing of the lots shall fall to the Government within whose territory the international bureau provided for in Article 13 shall be located.

ARTICLE 19.

The High Contracting Parties bind themselves to take, or propose to their respective legislatures, the necessary measures for insuring the execution of the present Convention.

ARTICLE 20.

The High Contracting Parties shall communicate to one another any laws already framed, or which may be framed, in their respective countries relative to the object of the present Convention.

ARTICLE 21.

The High Contracting Parties shall preserve their entire liberty as regards radio installations other than provided for in Article 1, especially naval and military installations, and stations used for communications between fixed points. All such installations and stations shall be subject only to the obligations provided for in Articles 8 and 9 of the present Convention.

However, when such installations and stations are used for public maritime service they shall conform, in the execution of such service, to the provisions of the Regulations as regards the mode of transmission and rates.

On the other hand, if coastal stations are used for general public service with ships at sea and also for communication between fixed points, such stations shall not be subject, in the execution of the last named service, to the provisions of the Convention except for the observance of Articles 8 and 9 of this Convention.

Nevertheless, fixed stations used for correspondence between land and land shall not refuse the exchange of radiograms with another fixed station on account of the system adopted by such station; the liberty of each country shall, however, be complete as regards the organization of the service for correspondence between fixed points and the nature of the correspondence to be effected by the stations reserved for such service.

ARTICLE 22.

The present Convention shall go into effect on the 1st day of July, 1913, and shall remain in force for an indefinite period or until the

expiration of one year from the day when it shall be denounced by any of the contracting parties.

Such denunciation shall affect only the Government in whose name it shall have been made. As regards the other Contracting Powers, the Convention shall remain in force.

ARTICLE 23.

The present Convention shall be ratified and the ratifications exchanged at London with the least possible delay.

In case one or several of the High Contracting Parties shall not ratify the Convention, it shall nevertheless be valid as to the Parties which shall have ratified it.

In witness whereof the respective plenipotentiaries have signed one copy of the Convention, which shall be deposited in the archives of the British Government, and a copy of which shall be transmitted to each Party.

Done at London, July 5, 1912.

For Germany and the German Protectorates:

B. KOEHLER
O. WACHENFELD
Dr. KARL STRECKER
SCHRADER
GOETSCH
Dr. EMIL KRAUSS
FIELITZ.

For the United States and the possessions of the United States:

JOHN R. EDWARDS
JNO. Q. WALTON
WILLIS L. MOORE
LOUIS W. AUSTIN
GEORGE OWEN SQUIER
EDGAR RUSSEL
C. McK. SALTZMAN
DAVID WOOSTER TODD
JOHN HAYS HAMMOND, Jr.
WEBSTER
W. D. TERRELL
JOHN I. WATERBURY.

For Argentine Republic:

VICENTE J. DOMINGUEZ.

For Austria:

Dr. FRITZ RITTER WAGNER VON JAUREGG.
Dr. RUDOLPH RITTER SPEIL V. OSTHEIM.

For Hungary:

CHARLES FOLLERT.
Dr. DE HENNYEY.

For Bosnia-Herzegovina:

H. GOIGINGER, G. M.
ADOLF DANINGER.
A. CICOLI.
ROMEO VIO.

For Belgium:
J. Banneux.
Deldime.

For Belgian Congo:
Robert B. Goldschmidt.

For Brazil:
Dr. Francisco Bhering.

For Bulgaria:
Iv. Stoyanovitch.

For Chile:
C. E. Rickard.

For Denmark:
N. Meyer.
J. A. Vöhtz.
R. N. A. Faber.
T. F. Krarup.

For Egypt:
J. S. Liddell.

For Spain and the Spanish Colonies:
Jacobo Garcia Roure.
Juan de Carranza y Garrido.
Jacinto Labrador.
Antonio Nieto.
Tomás Fernandez Quintana.
Jaime Janer Robinson.

For France and Algeria:
A. Frouin.

For French West Africa:
A. Duchêne.

For French Equatorial Africa:
A. Duchêne.

For Indo-China:
A. Duchêne.

For Madagascar:
A. Duchêne.

For Tunis:
Et. de Felcourt.

For Great Britain and the various British Colonies and Protectorates:
H. Babington Smith
E. W. Farnall
E. Charlton
G. M. W. Macdonogh.

For Union of South Africa:
Richard Solomon.

For Australian Federation:
Charles Bright.

For Canada:
G. J. Desbarats.

For British India:
H. A. Kirk
F. E. Dempster.

For New Zealand:
C. WRAY PALLISER.

For Greece:
C. DOSIOS.

For Italy and the Italian Colonies:
Prof. A. BATTELLI.

For Japan and for Chosen, Formosa, Japanese Sakhalin, and the leased territory of Kwangtung:
TETSUJIRO SAKANO
KENJI IDE
RIUJI NAKAYAMA
SEIICHI KUROSE.

For Morocco:
MOHAMMED EL KABADJ
U. ASENSIO.

For Monaco:
FR. ROUSSEL.

For Norway:
HEFTYE
K. A. KNUDSSÖN.

For Netherlands:
G. J. C. A. POP
J. P. GUÉPIN.

For Dutch Indies and the Colony of Curaçao:
PERK
F. VAN DER GOOT.

For Persia:
MIRZA ABDUL GHAFFAR KHAN.

For Portugal and the Portuguese Colonies:
ANTONIO MARIA DA SILVA.

For Roumania:
C. BOERESCU.

For Russia and the Russian possessions and Protectorates:
N. DE ETTER
P. OSSADTCHIY
A. EULER
SERGUEIEVITCH
V. DMITRIEFF
D. SOKOLTSOW
A. STCHASTNYI
BARON A. WYNEKEN.

For Republic of San Marino:
ARTURO SERENA.

For Siam:
LUANG SANPAKITCH PREECHA
WM. J. ARCHER

For Sweden:
RYDIN
HAMILTON.

For Turkey:

M. EMIN
M. FAHRY
OSMAN SADI.

For Uruguay:

FED. R. VIDIELLA.

FINAL PROTOCOL.

[Translation.]

At the moment of signing the Convention adopted by the International Radiotelegraph Conference of London, the undersigned plenipotentiaries have agreed as follows:

I.

The exact nature of the adherence notified on the part of Bosnia-Herzegovina not yet being determined, it is recognized that one vote shall be assigned to Bosnia-Herzegovina but that a decision will be necessary at a later date as to whether this vote belongs to Bosnia-Herzegovina in virtue of the second paragraph of Article 12 of the Convention, or whether this vote is accorded to it in conformity with the provisions of the third paragraph of that Article.

II.

Note is taken of the following declaration:

The Delegation of the United States declares that its Government is under the necessity of abstaining from all action with regard to rates, because the transmission of radiograms as well as of ordinary telegrams in the United States is carried on, wholly or in part, by commercial or private companies.

III.

Note is likewise taken of the following declaration:

The Government of Canada reserves the right to fix separately, for each of its coastal stations, a total maritime rate for radiograms proceeding from North America and destined for any ship whatever, the coastal rate amounting to three-fifths and the shipboard rate to two-fifths of the total rate.

In witness whereof the respective plenipotentiaries have drawn up the present Final Protocol, which shall be of the same force and effect as though the provisions thereof had been embodied in the text of the Convention itself to which it has reference, and they have signed one copy of the same, which shall be deposited in the archives of the British Government, and a copy of which shall be transmitted to each of the Parties.

Done at London, July 5, 1912.

For Germany and the German Protectorates:
B. KOEHLER
O. WACHENFELD
DR. KARL STRECKER
SCHRADER
GOETSCH
DR. EMIL KRAUSS
FIELITZ

For the United States and the possessions of the United States:
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JNO. Q. WALTON
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EDGAR RUSSEL
C. MCK. SALTZMAN
DAVID WOOSTER TODD
JOHN HAYS HAMMOND, Jr.
WEBSTER
W. D. TERRELL
JOHN I. WATERBURY.

For Argentine República:
VICENTE J. DOMINGUEZ.

For Austria:
DR. FRITZ RITTER WAGNER VON JAUREGG.
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For Belgian Congo:
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For Brazil:
DR. FRANCISCO BEHRING

For Bulgaria:
IV. STOYANOVITCH.

For Chile:
C. E. RICKARD.

For Denmark:
N. MEYER
J. A. VÖHTZ
R. N. A. FABER
T. F. KRARUP.

For Egypt:
J. S. LIDDELL.

For Spain and the Spanish Colonies:
JACOBO GARCIA ROURE
JUAN DE CARRANZA Y GARRIDO
JACINTO LABRADOR
ANTONIO NIETO
TOMÁS FERNANDEZ QUINTANA
JAIME JANER ROBINSON.

For France and Algeria:
A. FROUIN.

For French West Africa:
A. DUCHÊNE.

For French Equatorial Africa:
A. DUCHÊNE.

For Indo China:
A. DUCHÊNE.

For Madagascar:
A. DUCHÊNE.

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ET. DE FELCOURT.

For Great Britain and the various British Colonies and Protectorates:
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E. CHARLTON
G. M. W. MACDONOGH.

For Union of South Africa:
RICHARD SOLOMON.

For Australian Federation:
CHARLES BRIGHT.

For Canada:
G. J. DESBARATS.

For British India:
H. A. KIRK.
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For New Zealand:
C. WRAY PALLISER.

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MOHAMMED EL KABADJ.
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WM. J. ARCHER.
For Sweden:
RYDIN.
HAMILTON.
For Turkey:
M. EMIN.
M. FAHRY.
OSMAN SADI.
For Uruguay:
FED. R. VIDIELLA.

SERVICE REGULATIONS AFFIXED TO THE INTERNATIONAL RADIOTELEGRAPH CONVENTION, LONDON, 1912.

[Translation.]

1. ORGANIZATION OF RADIO STATIONS.

ARTICLE I.

The choice of radio apparatus and devices to be used by the coastal stations and stations on shipboard shall be unrestricted. The installation of such stations shall as far as possible keep pace with scientific and technical progress.

ARTICLE II.

Two wave lengths, one of 600 meters and the other of 300 meters, are authorized for general public service. Every coastal station opened to such service shall be equipped in such manner as to be able to use these two wave lengths, one of which shall be designated as the normal wave length of the station. During the whole time that a coastal station is open it shall be in condition to receive calls according to its normal wave length. For the correspondence specified under paragraph 2 of Article XXXV, however, a wave length of 1,800 meters shall be used. In addition, each Government may authorize in coastal stations the employment of other wave lengths designed to insure long-range service or any service other than for general public correspondence established in conformity with the provisions of the Convention under the reservation that such wave lengths do not exceed 600 meters or that they do exceed 1,600 meters.

In particular, stations used exclusively for sending signals designed to determine the position of ships shall not employ wave lengths exceeding 150 meters.

ARTICLE III.

1. Every station on shipboard shall be equipped in such manner as to be able to use wave lengths of 600 meters and of 300 meters. The first shall be the normal wave length and may not be exceeded for transmission except in the case referred to under Article XXXV (paragraph 2).

Other wave lengths, less than 600 meters, may be used in special cases and under the approval of the managements to which the coastal and shipboard stations concerned are subject.

2. During the whole time that a station on shipboard is open it shall be able to receive calls according to its normal wave length.

3. Vessels of small tonnage which are unable to use a wave length of 600 meters for transmission, may be authorized to employ exclusively the wave length of 300; they must be able to receive a wave length of 600 meters.

ARTICLE IV.

Communication between a coastal station and a station on shipboard shall be exchanged on the part of both by means of the same wave length. If, in a particular case, communication is difficult, the two stations may, by mutual consent, pass from the wave length with which they are communicating to the other regulation wave length. Both stations shall resume their normal wave length when the exchange of radiograms is finished.

ARTICLE V.

1. The International Bureau shall draw up, publish, and revise from time to time an official chart showing the coastal stations, their normal ranges, the principal lines of navigation, and the time normally taken by ships for the voyage between the different ports of call.

2. It shall draw up and publish a list of radio stations of the class referred to in Article I of the Convention, and from time to time

supplements covering additions and modifications. Such list shall contain for each station the following data:

(1) In the case of coastal stations; name, nationality, and geographical location indicated by the territorial subdivision and the latitude and longitude of the place; in the case of stations on shipboard; name and nationality of the ship; when the case arises, the name and address of the party working the station;

(2) The call letters (the calls shall be distinguishable from one another and each must be formed of a group of three letters);

(3) The normal range;

(4) The radio system with the characteristics of the transmitting system (musical sparks, tonality expressed by the number of double vibrations, etc.);

(5) The wave lengths used (the normal wave length to be underscored);

(6) The nature of the services carried on;

(7) The hours during which the station is open;

(8) When the case arises, the hour and method of transmitting time signals and meteorological telegrams;

(9) The coastal rate or shipboard rate.

3. The list shall also contain such data relating to radio stations other than those specified in Article I of the Convention as may be communicated to the International Bureau by the management of the Radio Service ("administration") to which such stations are subject, provided that such managements are either adherents to the Convention or, if not adherents, have made the declaration referred to Article XLVIII.

4. The following notations shall be adopted in documents for use by the International Service to designate radio stations:

PG Station open to general public correspondence.
PR Station open to limited public correspondence.
P Station of private interest.
O Station open exclusively to official correspondence.
N Station having continuous service.
X Station having no fixed working hours.

5. The name of a station on shipboard appearing in the first column of the list shall be followed, in case there are two or more vessels of the same name, by the call letters of such station.

Article VI.

The exchange of superfluous signals and words is prohibited to stations of the class referred to in Article I of the Convention. Experiments and practice will be permitted in such stations in so far as they do not interfere with the service of other stations.

Practice shall be carried on with wave lengths different from those authorized for public correspondence, and with the minimum of power necessary.

Article VII.

1. All stations are bound to carry on the service with the minimum of energy necessary to insure safe communication.

2. Every coastal or shipboard station shall comply with the following requirements:

(a) The waves sent out shall be as pure and as little damped as possible;

In particular, the use of transmitting devices in which the waves sent out are obtained by means of sparks directly in the aerial (plain aerial) shall not be authorized except in cases of distress.

It may, however, be permitted in the case of certain special stations (those of small vessels for example) in which the primary power does not exceed 50 watts.

(b) The apparatus shall be able to transmit and receive at a speed equal to at least 20 words a minute, words to be counted at the rate of 5 letters each.

New installations using more than 50 watts shall be equipped in such a way as to make it possible to obtain with ease several ranges less than the normal range, the shortest being approximately 15 nautical miles. Existing installations using more than 50 watts shall be remodeled, wherever possible, so as to comply with the foregoing provisions.

(c) Receiving apparatus shall be able to receive, with the greatest possible protection against interference, transmissions of the wave lengths specified in the present Regulations, up to 600 meters.

3. Stations serving solely for determining the position of ships (radiophares) shall not operate over a radius greater than 30 nautical miles.

ARTICLE VIII.

Independently of the general requirements specified under Article VII, stations on shipboard shall likewise comply with the following requirements:

(a) The power transmitted to the radio apparatus, measured at the terminals of the generator of the station, shall not, under normal conditions, exceed one kilowatt.

(b) Subject to the provisions of Article XXXV, paragraph 2, power exceeding one kilowatt may be employed when the vessel finds it necessary to correspond while more than 200 nautical miles distant from the nearest coastal station, or when, owing to unusual circumstances, communication can be established only by means of an increase of power.

ARTICLE IX.

1. No station on shipboard shall be established or worked by private enterprise without a license issued by the Government to which the vessel is subject.

Stations on board of ships having their port of registry in a colony, possession, or protectorate may be described as subject to the authority of such colony, possession, or protectorate.

2. Every shipboard station holding a license issued by one of the contracting Governments shall be considered by the other Governments as having an installation fulfilling the requirements stipulated in the present Regulations.

Competent authorities of the countries at which the ship calls may demand the production of the license. In default of such production, these authorities may satisfy themselves as to whether the radio installations of the ship fulfill the requirements imposed by the present regulations.

When the management of the radio service of a country is convinced by its working that a station on shipboard does not fulfill the requirements, it shall, in every case, address a complaint to the management of the radio service of the country to which such ship is a subject. The subsequent procedure, when necessary, shall be the same as that prescribed in Article XII, paragraph 2.

Article X.

1. The service of the station on shipboard shall be carried on by a telegraph operator holding a certificate issued by the Government to which the vessel is subject, or, in case of necessity and for one voyage only, by some other adhering Government.

2. There shall be two classes of certificates:

The first class certificate shall attest the professional efficiency of the operator as regards:

(a) Adjustment of the apparatus and knowledge of its functioning;

(b) Transmission and acoustic reception at the rate of not less than 20 words a minute;

(c) Knowledge of the regulations governing the exchange of radio correspondence.

The second class certificate may be issued to operators who are able to transmit and receive at a rate of only 12 to 19 words a minute but who, in other respects, fulfill the requirements mentioned above. Operators holding second-class certificates may be permitted on:

(a) Vessels which use radiotelegraphy only in their own service and in the correspondence of their crews, fishing vessels in particular;

(b) All vessels, as substitutes, provided such vessels have on board at least *one* operator holding a first-class certificate. However, on vessels classed under the first category indicated in Article XIII, the service shall be carried on by at least two telegraph operators holding first-class certificates.

In the stations on shipboard, transmissions shall be made only by operators holding first or second-class certificates except in cases of necessity where it would be impossible to conform to this provision.

3. The certificate shall furthermore state that the Government has bound the operator to secrecy with regard to the correspondence.

4. The radio service of the station on shipboard shall be under the superior authority of the commanding officer of the ship.

Article XI.

Ships provided with radio installations and classed under the first two categories indicated in Article XIII are bound to have radio installations for distress calls all the elements of which shall be kept under conditions of the greatest possible safety to be determined by the Government issuing the license. Such emergency installations shall have their own source of energy, be capable of quickly being set into operation, of functioning for at least six hours, and have a minimum range of 80 nautical miles for ships of the first category and 50 miles for those of the second. Such emergency installations shall not be required in the case of vessels the regular installations of which fulfill the requirements of the present Article.

Article XII.

1. If the management of the radio service of a country has knowledge of any infraction of the Convention or of the Regulations committed in any of the stations authorized by it, it shall ascertain the facts and fix the responsibility.

In the case of stations on shipboard, if the operator is responsible for such infraction, the management of the radio service shall take the necessary measures, and, if the necessity should arise, withdraw the certificate. If it is ascertained that the infraction is the result of the condition of the apparatus or of instructions given the operator, the same method shall be pursued with regard to the license issued to the vessel.

2. In cases of repeated infractions chargeable to the same vessel, if the representations made to the management of the country to which the vessel is subject by that of another country remain without effect, the latter shall be at liberty, after giving due notice, to authorize its coastal stations not to accept communications proceeding from the vessel at fault. In case of disagreement between the managements of the radio service of two countries, the question shall be submitted to arbitration at the request of either of the two Governments concerned. The procedure is indicated in Article 18 of the Convention.

2. HOURS OF SERVICE OF STATIONS.

Article XIII.

(a) Coastal stations:

1. The service of coastal stations shall, as far as possible, be constant, day and night, without interruption.

Certain coastal stations, however, may have a service of limited duration. The management of the radio service of each country shall fix the hours of service.

2. The coastal stations whose service is not constant shall not close before having transmitted all their radiograms to the vessels which are within their radius of action, nor before having received from such vessels all the radiograms of which notice has been given. This provision is likewise applicable when vessels signal their presence before the actual cessation of work.

(b) Stations on shipboard:

3. Stations on shipboard shall be classed under three categories:

(1) Stations having constant service;

(2) Stations having a service of limited duration;

(3) Stations having no fixed working hours.

When the ship is under way, the following shipboard stations shall have an operator constantly listening in; 1st, Stations of the first category; 2nd, Those of the second category during the hours in which they are open to service. During the remaining hours, the last named stations shall have an operator at the radio instrument listening in during the first ten minutes of each hour. Stations of the third category are not bound to perform any regular service of listening in.

It shall fall to the Governments issuing the licenses specified in Article IX to fix the category in which the ship shall be classed as regards its obligations in the matter of listening in. Mention shall be made of such classification in the license.

3. FORM AND POSTING OF RADIOGRAMS.

Article XIV.

1. Radiograms shall show, as the first word of the preamble, that the service is "radio."

2. In the transmission of radiograms proceeding from a ship at sea, the date and hour of posting at the shipboard station shall be stated in the preamble.

3. Upon forwarding a radiogram over the telegraph system, the coastal station shall show thereon as the office of origin, the name of the ship of origin as it appears in the list, and also when the case arises, that of the last ship which acted as intermediary. These data shall be followed by the name of the coastal station.

Article XV.

The address of radiograms intended for ships shall be as complete as possible.

It shall embrace the following:

(a) The name or title of the addressee, with additional designations, if any;

(b) The name of the vessel as it appears in the first column of the list;

(c) The name of the coastal station as it appears in the list.

The name of the ship, however, may be replaced, at the sender's risk, by the designation of the route to be followed by such vessel, as determined by the names of the ports of departure and destination or by any other equivalent information.

2. In the address, the name of the ship as it appears in the first column of the list, shall, in all cases and independently of its length, be counted as one word.

3. Radiograms framed with the aid of the International Code of Signals shall be transmitted to their destination without being translated.

4. RATES.

Article XVI.

1. The coastal rate and the shipboard rate shall be fixed in accordance with the tariff per word, pure and simple, on the basis of an equitable remuneration for the radio work, with an optional minimum rate per radiogram.

The coastal rate shall not exceed 60 centimes (11.6 cents) a word, and the shipboard rate shall not exceed 40 centimes (7.7 cents) a word. However, each management shall be at liberty to authorize coastal and shipboard rates higher than such maxima in the case of

stations of ranges exceeding 400 nautical miles, or of stations whose work is exceptionally difficult owing to physical conditions in connection with the installation or working of the same.

The optional minimum rate per radiogram shall not be higher than the coastal rate or shipboard rate for a radiogram of ten words.

2. In the case of radiograms proceeding from or destined for a country and exchanged directly with the coastal stations of such country, the rate applicable to the transmission over the telegraph lines shall not, on the average, exceed the inland rate of such country.

Such rate shall be computed per word, pure and simple, with an optional minimum rate which shall not exceed the rate for ten words. It shall be stated in francs by the management of the radio service of the country to which the coastal station is subject.

In the case of countries of the European system, with the exception of Russia and Turkey, there shall be but one rate for the territory of each country.

Article XVII.

1. When a radiogram proceeding from a ship and intended for the coast passes through one or two shipboard stations, the charges shall comprise, in addition to the rates of the shipboard station of origin, the coastal station and the telegraph lines, the shipboard rate of each of the ships which have participated in the transmission.

2. The sender of a radiogram proceeding from the coast and intended for a ship may require that his message be transmitted by way of one or two stations on shipboard; he shall deposit for this purpose an amount equal to the radio and telegraph rates and, in addition, a sum to be fixed by the office of origin, as surety for the payment to the intermediary shipboard stations of the transit rates fixed by paragraph 1. He shall further pay, at his option, either the rate for a telegram of five words or the price of the postage on a letter to be sent by the coastal station to the office of origin giving the necessary information for the liquidation of the amounts deposited.

The radiogram shall then be accepted at the sender's risk; it shall show before the address the prepaid instruction, to wit: "X retransmissions telegraph" or "X retransmissions letter" according to whether the sender desired the information necessary for the liquidation of the deposits to be furnished by telegraph or by letter.

3. The rate for radiograms proceeding from a ship intended for another ship, and forwarded through one or two intermediary coastal stations, shall comprise:

The shipboard rates of the two ships, the coastal rate of the coastal station or two coastal stations, as the case may be, and the telegraph rate, when necessary, applicable to the transmission between the two coastal stations.

4. The rate for radiograms exchanged between ships without the intervention of a coastal station shall comprise the shipboard rates of the vessels of origin and destination together with the shipboard rates of the intermediary stations.

5. The coastal and shipboard rates accruing to the stations of transit shall be the same as those fixed for such stations when they

are stations of origin or destination. In no case shall they be collected more than once.

6. In the case of every coastal station acting as intermediary, the rate to be collected for the service of transit shall be the highest coastal rate applicable to direct communication with the two ships concerned.

Article XVIII.

The country within whose territory a coastal station is established which serves as intermediary for the exchange of radiograms between a station on board ship and another country shall be considered, so far as the application of telegraph rates is concerned, as the country of origin or of destination of such radiograms, and not as the country of transit.

5. COLLECTION OF CHARGES.

Article XIX.

The total charge for radiograms shall be collected of the sender, with the exception of:

(1) Charges for special delivery (Art. LVIII, par. 1, of the Telegraph Regulations); (2) Charges applicable to inadmissible combinations or alterations of words noted by the office or station of destination (Art. XIX, par. 9 of the Telegraph Regulations) such charges being collected of the addressee.

Stations on shipboard shall to that end have the necessary tariffs. They shall be at liberty, however, to obtain information from coastal stations on the subject of rates for radiograms for which they do not possess all the necessary data.

2. The counting of words by the office of origin shall be conclusive in the case of radiograms intended for ships and that of the shipboard station of origin shall be conclusive in the case of radiograms proceeding from ships, both for purposes of transmission and of the international accounts. However, when the radiogram is worded wholly or in part, either in one of the languages of the country of destination, in the case of radiograms proceeding from ships, or in one of the languages of the country to which the ship is subject, in the case of radiograms intended for ships, and contains combinations or alterations of words contrary to the usage of such language, the bureau or shipboard station of destination, as the case may be, shall have the right to recover from the addressee the amount of charge not collected. In case of refusal to pay, the radiogram may be withheld.

6. TRANSMISSION OF RADIOGRAMS.

(a) SIGNALS OF TRANSMISSION.

Article XX.

The signals to be employed are those of the Morse International Code.

ARTICLE XXI.

Ships in distress shall use the following signal:

• • • — — — • • •

repeated at brief intervals, followed by the necessary particulars.

As soon as a station hears the signal of distress it shall cease all correspondence and not resume it until after it has made sure that the correspondence to which the call for assistance has given rise is terminated.

Stations which hear a signal of distress shall conform to the instructions given by the ship making such signal as regards the order of the messages or their cessation.

In case the call letters of a particular station are added at the end of the series of calls for assistance, the answer to the call shall be incumbent upon that station alone unless such station fails to reply. If the call for assistance does not specify any particular station, every station hearing such call shall be bound to answer it.

ARTICLE XXII.

For the purpose of giving or requesting information concerning the radio service, stations shall make use of the signals contained in the list appended to the present Regulations.

(B) ORDER OF TRANSMISSION.

ARTICLE XXIII.

Between two stations radiograms of the same order shall be transmitted one by one, by the two stations alternately, or in series of several radiograms, as the coastal station may indicate, provided the duration of the transmission of each series does not exceed fifteen minutes.

(C) METHOD OF CALLING RADIO STATIONS AND TRANSMISSION OF RADIOGRAMS.

ARTICLE XXIV.

1. As a general rule, it shall be the shipboard station that calls the coastal station whether it has radiograms to transmit or not.

2. In waters where the radio traffic is very great (British Channel, etc.), a coastal station should not, as a general rule, be called by a shipboard station unless the former is within normal range of the shipboard station and not until the distance of the vessel from the coastal station is less than 75 per cent of the normal range of the latter.

3. Before proceeding to call, the coastal station or the station on shipboard shall adjust its receiving apparatus to its maximum sensibility and make sure that no other correspondence is being carried on within its radius of action; if it finds otherwise, it shall wait for the first pause, unless it is convinced that its call will not be

likely to disturb the correspondence in progress. The same applies in case the station desires to answer a call.

4. For calling, every station shall use the normal wave of the station it wishes to call.

5. If in spite of these precautions the transmission of a radiogram is impeded at any place, the call shall cease upon the first request from a coastal station open to public correspondence. The latter station shall in such case indicate the approximate length of time it will be necessary to wait.

6. The station on shipboard shall make known to every coastal station to which it has signaled its presence the moment at which it proposes to cease its operations and the probable duration of the interruption.

ARTICLE XXV.

1. The call shall comprise the signal

— • — • — ,

the call letters of the station called transmitted three times, the word " from " (de) followed by the call letters of the sending station transmitted three times.

2. The called station shall answer by making the signal

— • — • — ,

followed by the call letters of the corresponding station transmitted three times, the word " from," its own call letters, and the signal

— • — .

3. Stations desiring to enter into communication with ships, without, however, knowing the names of the ships within their radius of action, may employ the signal — • — • — — • — (signal of inquiry). The provisions of paragraphs 1 and 2 are likewise applicable to the transmission of a signal of inquiry and to the answer to such signal.

ARTICLE XXVI.

If a station called does not answer the call (Article XXV) transmitted three times at intervals of two minutes, the call shall not be resumed until after an interval of fifteen minutes, the station issuing the call having first made sure of the fact that no radio correspondence is in progress.

ARTICLE XXVII.

Every station which has occasion to transmit a radiogram requiring the use of high power shall first send out three times the signal of warning — — • • — — , with the minimum of power necessary to reach the neighboring stations. It shall not begin to transmit with high power until 30 seconds after sending the signal of warning.

ARTICLE XXVIII.

1. As soon as the coastal station has answered, the shipboard station shall furnish it with the following data in case it has messages

to transmit; such data shall likewise be furnished upon request from the coastal station:

(a) The approximate distance, in nautical miles, of the vessel from the coastal station;

(b) The position of the vessel indicated in a concise form and adapted to the circumstances of the case;

(c) Her next port of call;

(d) The number of radiograms, if they are of normal length, or the number of words, if the messages are unusually long.

The speed of the ship in nautical miles shall also be given if specially requested by the coastal station.

2. The coastal station shall answer stating, as provided in paragraph 1, either the number of radiograms or the number of words to be transmitted to the ship, and also the order of transmission.

3. If the transmission can not take place immediately, the coastal station shall inform the station on shipboard of the approximate length of time that it will be necessary to wait.

4. If a shipboard station called can not receive for the moment, it shall inform the station calling of the approximate length of time that it will be necessary to wait.

5. In the exchange of messages between two stations on shipboard, it shall fall to the station called to fix the order of transmission.

ARTICLE XXIX.

When a coastal station receives calls from several shipboard stations, it shall decide the order in which such stations shall be admitted to exchange their messages.

In fixing this order the coastal station shall be guided exclusively by the necessity of permitting each station concerned to exchange the greatest possible number of radiograms.

ARTICLE XXX.

Before beginning the exchange of correspondence the coastal station shall advise the shipboard station whether the transmission is to be effected in the alternate order or by series (Article XXIII); it shall then begin the transmission or follow up the preliminaries with the signal

— • —

ARTICLE XXXI.

The transmission of the radiogram shall be preceded by the signal

— • — • —

and terminated by the signal

• — • — •

followed by the name of the sending station and by the signal

— • —

In the case of a series of radiograms, the name of the sending station and the signal — • — shall only be given at the end of the series.

Article XXXII.

When a radiogram to be transmitted contains more than 40 words, the sending station shall interrupt the transmission by the signal • • — — • • after each series of about 20 words and shall not resume it until after it has obtained from the receiving station a repetition of the last word duly received, followed by the said signal, or, if the reception is good, by the signal — • — .

In the case of transmission by series, acknowledgment of receipt shall be made after each radiogram.

Coastal stations engaged in the transmission of long radiograms shall suspend the transmission at the end of each period of 15 minutes, and remain silent for a period of three minutes before resuming the transmission.

Coastal and shipboard stations working under the conditions specified in Article XXXV, par. 2, shall suspend work at the end of each period of 15 minutes and listen in with a wave length of 600 meters during a period of three minutes before resuming the transmission.

Article XXXIII.

1. When the signals become doubtful every possible means shall be resorted to to finish the transmission. To this end the radiogram shall be transmitted three times at most at the request of the receiving station. If in spite of such triple repetition the signals are still unreadable the radiogram shall be cancelled.

If no acknowledgment of receipt is received the transmitting station shall again call up the receiving station. If no reply is made after three calls the transmission shall not be followed up any further. In such case the sending station shall have the privilege of obtaining the acknowledgment of receipt through the medium of another radio station, using, when necessary, the lines of the telegraph system.

2. If in the opinion of the receiving station the radiogram, although imperfectly received, is nevertheless capable of transmission, said station shall enter the words " reception doubtful " at the end of the preamble and let the radiogram follow. In such case the management of the radio service of the country to which the coastal station is subject shall claim the charges in conformity with Article XLII of the present Regulations. If, however, the shipboard station subsequently transmits the radiogram to another coastal station of the same management, the latter can claim only the rates applicable to a single transmission.

(D) ACKNOWLEDGMENT OF RECEIPT AND CONCLUSION OF WORK.

Article XXXIV.

1. Receipt shall be acknowledged in the form prescribed by the International Telegraph Regulations; it shall be preceded by the call letters of the transmitting station and followed by those of the receiving station.

2. The conclusion of a correspondence between two stations shall be indicated by each of the two stations by means of the signal

• • • — • —

followed by its own call letters.

(E) DIRECTIONS TO BE FOLLOWED IN SENDING RADIOGRAMS.

ARTICLE XXXV.

1. In general, the shipboard stations shall transmit their radiograms to the nearest coastal station.

Nevertheless, if a shipboard station has the choice between several coastal stations at equal or nearly equal distances, it shall give the preference to the one established on the territory of the country of destination or normal transit for its radiograms.

2. A sender on board a vessel shall, however, have the right to designate the coastal station through which he desires to have his radiogram transmitted. The station on shipboard shall then wait until such coastal station shall be the nearest.

In exceptional cases transmission may be made to a more distant coastal station, provided that:

(a) The radiogram is intended for the country in which such coastal station is situated and emanates from a ship subject to that country;

(b) Both stations use for calling and transmission a wave length of 1,800 meters;

(c) Transmission with this wave length does not interfere with a transmission made by means of the same wave length by a nearer coastal station;

(d) The station on shipboard is more than 50 nautical miles distant from any coastal station given in the list. The distance of 50 miles may be reduced to 25 miles provided the maximum power at the terminals of the generator does not exceed 5 kilowatts and that the stations on shipboard are established in conformity with Articles VII and VIII. This reduction in the distance shall not be admissible in the seas, bays or gulfs of which the shores belong to one country only and of which the opening to the high sea is less than 100 miles wide.

7. DELIVERY OF RADIOGRAMS AT THEIR DESTINATION.

ARTICLE XXXVI.

When for any cause whatever a radiogram proceeding from a vessel at sea and intended for the coast can not be delivered to the addressee, a notice of nondelivery shall be issued. Such notice shall be transmitted to the coastal station which received the original radiogram. The latter, after verifying the address, shall forward the notice to the ship, if possible, by the intervention, if need be, of another coastal station of the same country or of a neighboring country.

When a radiogram received by a shipboard station can not be delivered, the station shall notify the office of the origin by official

notice. In the case of radiograms emanating from the coast, such notice shall be transmitted, whenever practicable, to the coastal station through which the radiogram has passed in transit; otherwise, to another coastal station of the same country or of a neighboring country.

Article XXXVII.

If the ship for which a radiogram is intended has not signalled her presence to the coastal station within the period designated by the sender, or, in the absence of such designation, by the morning of the 8th day following, the coastal station shall so notify the office of origin which shall in turn inform the sender.

The latter shall have the right to ask, by a paid official notice, sent by either telegraph or mail and addressed to the coastal station, that his radiogram be held for a further period of 9 days for transmission to the vessel, and so on. In the absence of such request, the radiogram shall be put aside as not transmissible at the end of the 9th day (exclusive of the day of posting).

Nevertheless, if the coastal station is certain that the vessel has left its radius of action before it has been able to transmit the radiogram to her, such station shall immediately so notify the office of origin which shall without delay inform the sender of the cancellation of the message. The sender may, however, by a paid official notice, request the coastal station to transmit the radiogram the next time the vessel shall pass.

8. SPECIAL RADIOGRAMS.

Article XXXVIII.

The following radiograms only shall be accepted for transmission:

(1) Radiograms with answer prepaid. Such radiograms shall show before the address the indication "Answer prepaid" or "R P" supplemented by a statement of the amount paid in advance for the answer, thus: "Réponse Payée fr. x", or "R P fr. x";

The reply voucher issued by a station on shipboard shall carry with it the right to send, within the limits of its value, a radiogram to any destination whatever from the station on shipboard which has issued such voucher.

(2) Radiograms calling for repetition of message (for purposes of verification);

(3) Special delivery radiograms. Only, however, in cases where the amount of the charges for special delivery is collected of the addressee. Countries which can not accept such radiograms shall make a declaration to this effect to the International Bureau. Special delivery radiograms with charges collected of the sender may be accepted when they are intended for the country within whose territory the corresponding station is located.

(4) Radiograms to be delivered by mail;

(5) Multiple radiograms;

(6) Radiograms calling for acknowledgment of receipt. But only as regards notification of the date and hour at which the coastal sta-

tion shall have transmitted to the station on shipboard the radiogram addressed to the latter.

(7) Paid service notices. Except those requesting a repetition or information. Nevertheless all paid service notices shall be accepted in transmission over the telegraph lines.

(8) Urgent radiograms. But only in transmission over the telegraph lines and subject to the application of the International Telegraph Regulations.

ARTICLE XXXIX.

Radiograms may be transmitted by a coastal station to a ship, or by a ship to another ship, with a view to being forwarded by mail from a port of call of the ship receiving the radiogram.

Such radiograms shall not be entitled to any radio retransmission

The address of such radiogram shall embrace the following:

(1) The paid designation "mail" followed by the name of the port at which the radiogram is to be mailed;

(2) The name and complete address of the addressee:

(3) The name of the station on shipboard by which the radiogram is to be mailed;

(4) When necessary, the name of the coastal station.

Example: Mail Buenosaires 14 Calle Prat Valparaiso Avon Lizard.

The rate shall comprise, in addition to the radio and telegraph rates, a sum of 25 centimes (.048 [4.8] cents) for the postage on the radiogram.

9. FILES.

ARTICLE XL.

The originals of radiograms together with the documents relating thereto retained by the managements of the radio service shall be kept, with all the necessary precautions as regards secrecy, for a period of at least fifteen months beginning with the month following that of the posting of the radiogram.

Such originals and documents shall, as far as practicable, be sent at least once a month by the shipboard stations to the management of the radio service to which they are subject.

10. REBATES AND REIMBURSEMENTS.

ARTICLE XLI.

1. With regard to rebates and reimbursements, the International Telegraph Regulations shall be applicable, taking into account the restrictions specified in Articles XXXVIII and XXXIX of the present Regulations and subject to the following reservations:

The time employed in the transmission of radiograms and the time that radiograms remain in a coastal station in the case of radiograms intended for ships, or in the station on shipboard in the case of radiograms proceeding from ships, shall not be counted as delays as regards rebates or reimbursements.

If the coastal station notifies the office of origin that a radiogram can not be transmitted to the ship addressed, the management of the

radio service of the country of origin shall immediately instigate reimbursement to the sender of the coastal and shipboard rates relating to the radiogram. In such case, the refunded charges shall not enter into the accounts provided for by Article XLII, but the radiogram shall be mentioned therein as a memorandum.

Reimbursements shall be borne by the different managements of the radio service and private enterprises which have taken part in the transmission of the radiogram, each management or private enterprise relinquishing its share of the rate. Radiograms to which Articles 7 and 8 of the Convention of St. Petersburg are applicable shall remain subject, however, to the provisions of the International Telegraph Regulations, except when the acceptance of such radiograms is the result of an error made by the telegraph service.

2. When the acknowledgment of receipt of a radiogram has not reached the station which has transmitted the message, the charges shall be refunded only if the fact has been established that the radiogram is entitled to reimbursement.

11. ACCOUNTS AND PAYMENT OF CHARGES.

Article XLII.

1. The coastal and shipboard charges shall not enter into the accounts provided for by the International Telegraph Regulations.

The accounts regarding such charges shall be liquidated by the managements of the radio service of the countries concerned. They shall be drawn up by the radio managements to which the coastal stations are subject, and communicated by them to the radio managements concerned. In cases where the working of the coastal stations is independent of the management of the radio service of the country, the party working such stations may be substituted, as regards the accounts, for the radio management of such country.

2. For transmission over the telegraph lines radiograms shall be treated, so far as the payment of rates is concerned, in conformity with the International Telegraph Regulations.

3. For radiograms proceeding from ships, the radio management to which the coastal station is subject shall charge the radio management to which the shipboard station of origin is subject with the coastal and ordinary telegraph rates, the total charges collected for answers prepaid, the coastal and telegraph rates collected for repetition of message (for purposes of verification), charges relating to special delivery (in the case provided for in Article XXXVIII), or delivery by mail, and those collected for additional copies (TM). The radio management to which the coastal station is subject shall credit, when the case arises, through the channel of the telegraph accounts and through the medium of the offices which have participated in the transmission of the radiograms, the radio management to which the office of destination is subject with the total charges relating to answers prepaid. With respect to the telegraph rates and the charges relating to special delivery or delivery by mail, and to additional copies, the procedure shall be as prescribed in the Telegraph Regulations, the coastal station being considered as the telegraph office of origin.

For radiograms intended for a country lying beyond the country to which the coastal station belongs, the telegraph charges to be liquidated in conformity with the above provisions shall be those which result either from tables "A" and "B" annexed to the International Telegraph Regulations, or from special arrangements concluded between the radio managements of adjacent countries and published by such managements, and not the charges which might be collected in accordance with the special provisions of Articles XXIII, par. 1, and XXVII, par. 1, of the Telegraph Regulations.

For radiograms and paid service notices intended for ships, the radio management to which the office of origin is subject shall be charged directly by that to which the coastal station is subject with the coastal and shipboard rates. However, the total charges relating to answers prepaid shall be credited, if there is occasion, from country to country, through the channel of the telegraph accounts, until they reach the radio management to which the coastal station is subject. As regards the telegraph charges and the charges relating to delivery by mail and additional copies, the procedure shall be as prescribed in the Telegraph Regulations. The radio management to which the coastal station is subject shall credit that to which the ship of destination is subject with the shipboard rate, if there is occasion, with the rates accruing to the intermediary shipboard stations, the total charge collected for answers prepaid, the shipboard rates for repetition of message (for purposes of verification), and the charges collected for the preparation of additional copies and for delivery by mail.

Paid service notices and answers prepaid shall be treated in the radio accounts in all respects the same as other radiograms.

For radiograms transmitted by means of one or two intermediary stations on shipboard, each one of such stations shall charge the shipboard station of origin, in the case of a radiogram proceeding from a ship, or that of destination, in the case of a radiogram intended for a ship, with the shipboard rate accruing to it for transit.

4. In general, the liquidation of accounts relating to correspondence between stations on shipboard shall be effected directly between the companies working such stations, the station of origin being charged by the station of destination.

5. The monthly accounts serving as a basis for the special accounts of radiograms shall be made out for each radiogram separately with all the necessary data within a period of six months from the month to which they refer.

6. The Governments reserve the right to enter into special agreements among themselves and with private companies (parties operating radio stations, shipping companies, etc.) with a view of adopting other provisions with regard to accounts.

12. INTERNATIONAL BUREAU.

ARTICLE XLIII.

The additional expenses resulting from the work of the International Bureau so far as radio telegraphy is concerned shall not

exceed 80,000 francs a year, exclusive of the special expenses arising from the convening of the International Conference.

The managements of the radio service of the contracting states shall, so far as contribution to the expenses is concerned, be divided into six classes, as follows:

1st Class:

Union of South Africa; Germany; United States of America; Alaska; Hawaii and the other American possessions in Polynesia; Philippine Islands; Porto Rico and the American possessions in the Antilles; Panama Canal Zone; Argentine Republic; Australia; Austria; Brazil; Canada; France; Great Britain; Hungary; British India; Italy; Japan; New Zealand; Russia; Turkey.

2nd Class:

Spain.

3rd Class:

Russian Central Asia (littoral of the Caspian Sea); Belgium; Chile; Chosen, Formosa, Japanese Sakhalin and the leased territory of Kwantung; Dutch Indies; Norway; Netherlands; Portugal; Roumania; Western Siberia (littoral of the Arctic Ocean); Eastern Siberia (littoral of the Pacific Ocean;) Sweden.

4th Class:

German East Africa; German Southwest Africa; Kamerun; Togo Land; German Protectorates in the Pacific; Denmark; Egypt; Indo-China; Mexico; Siam; Uruguay.

5th Class:

French West Africa; Bosnia-Herzegovina; Bulgaria; Greece; Madagascar; Tunis.

6th Class:

French Equatorial Africa; Portuguese West Africa; Portuguese East Africa and the Portuguese possessions in Asia; Bokhara; Belgian Congo; Colony of Curaçao; Spanish Colony of the Gulf of Guinea; Eritrea; Khiva; Morocco; Monaco; Persia; San Marino; Italian Somaliland.

Article XLIV.

The management of the radio service of the different countries shall forward to the International Bureau a table in conformity with the annexed blank, containing the data enumerated in said table for stations such as referred to in Article V of the Regulations. Changes occurring and additional data shall be forwarded by the radio managements to the International Bureau between the 1st and 10th day of each month. With the aid of such data the International Bureau shall draw up the list provided for in Article V. The list shall be distributed to the radio managements concerned. The list and the supplements thereto may also be sold to the public at the cost price.

The International Bureau shall see to it that the same call letters for several radio stations shall not be adopted.

13. METEOROLOGICAL RADIOGRAMS, TIME SIGNALS AND OTHER RADIOGRAMS.

ARTICLE XLV.

1. The managements of the radio service shall take the necessary steps to supply their coastal stations with meteorological radiograms containing indications concerning the district of such stations. Such radiograms, the text of which shall not exceed 20 words, shall be transmitted to ships upon request. The rate for such meteorological radiograms shall be carried to the account of the ships to which they are addressed.

2. Meteorological observations made by certain vessels designated for this purpose by the country to which they are subject, may be transmitted once a day, as paid service notices, to the coastal stations authorized to receive the same by the managements concerned, who shall likewise designate the meteorological offices to which such observations shall be addressed by the coastal stations.

3. Time signals and meteorological radiograms shall be transmitted one after the other in such a way that the total time occupied in their transmission shall not exceed ten minutes. As a general rule, all radio stations whose transmissions might interfere with the reception of such signals and radiograms, shall remain silent during their transmission in order that all stations desiring it may be able to receive the same. Exception shall be made in cases of distress calls and of state telegrams.

4. The managements of the radio service shall give to agencies of maritime information such data regarding losses and casualties at sea or other information of general interest to navigation, as the coastal stations may properly report.

14. MISCELLANEOUS PROVISIONS.

ARTICLE XLVI.

The exchange of correspondence between shipboard stations shall be carried on in such a manner as not to interfere with the service of the coastal stations, the latter, as a general rule, being accorded the right of priority for the public service.

ARTICLE XLVII.

Coastal stations and stations on shipboard shall not be bound to participate in the retransmission of radiograms except in cases where direct communication cannot be established between the stations of origin and destination.

The number of such retransmissions shall, however, be limited to two.

In the case of radiograms intended for the coast, retransmission shall take place only for the purpose of reaching the nearest coastal station.

Retransmission shall in every case be subject to the condition that the intermediate station which receives the radiogram in transit is in a position to forward it.

ARTICLE XLVIII.

If the route of a radiogram is partly over telegraph lines, or through radio stations subject to a non-contracting Government, such radiograms may be transmitted provided the management of the radio service to which such lines or stations are subject have declared that, if the occasion should arise, they will comply with such provisions of the Convention and of the Regulations as are indispensible to the regular transmission of radiograms and that the payment of charges is insured. Such declaration shall be made to the International Bureau and communicated to the offices of the Telegraph Union.

ARTICLE XLIX.

Modifications of the present regulations which may be rendered necessary in consequence of the decisions of subsequent Telegraph Conferences shall go into effect on the date fixed for the application of the provisions adopted by each one of such conferences.

ARTICLE L.

The provisions of the International Telegraph Regulations shall be applicable analogously to radio correspondence in so far as they are not contrary to the provisions of the present regulations. The following provisions of the Telegraph Regulations, in particular, shall be applicable to radio correspondence: Article XXVII, paragraphs 3 to 6, relating to the collection of charges; Articles XXVI and XLI relating to the indication of the route to be followed; Article LXXV, paragraph 1, LXXVIII, paragraphs 2 to 4, and LXXIX, paragraphs 2 and 4, relating to the preparation of accounts. However:—(1) The period of six months provided by paragraph 2 of Article LXXIX of the Telegraph Regulations for the verification of accounts shall be extended to nine months in the case of radiograms; (2) The provisions of Article XVI, paragraph 2, shall not be considered as authorizing gratuitous transmission, through radio stations, of service telegrams relating exclusively to the telegraph service, nor the free transmission over the telegraph lines of service telegrams relating exclusively to the radio service; (3) The provisions of Article LXXIX, paragraphs 3 and 5, shall not be applicable to radio accounts. As regards the application of the provisions of the Telegraph Regulations, coastal stations shall be considered as offices of transit except when the Radio Regulations expressly stipulate that such stations shall be considered as offices of origin or of destination.

In conformity with Article 11 of the Convention of London,[1] the present Regulations shall go into effect on the first day of July, 1913.

In witness whereof the respective plenipotentiaries have signed one copy of these Regulations, which shall be deposited in the

[1] See ante.

archives of the British Government, and a copy of which shall be transmitted to each of the Parties.

For Germany and the German Protectorates:

B. KOEHLER
O. WACHENFELD
Dr. KARL STRECKER
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SUPPLEMENT TO ARTICLE XLIV OF THE REGULATIONS.

Radio Management of ———. Service Particulars of Radio Stations.

(a) COASTAL STATIONS.

Name.	Nationality.	Geographical location: E. East longitude. O. West longitude. N. North latitude. S. South latitude. Territorial subdivisions.	Call letters.	Normal range in nautical miles.	Radio system with the characteristics of the transmitting system.	Wave lengths in meters (the normal wave length to be underscored).	Nature of service furnished.	Hours during which station is open (local standard time).	Coastal rate, per word in francs, minimum rate per radiogram, in francs.	Remarks. (When necessary hour and manner of sending time signals and meteorological radiograms.)

(b) SHIPBOARD STATIONS.

Name.	Nationality.	Call letters.	Normal range. In nautical miles.	Radio system with the characteristics of the transmitting system.	Wave lengths in meters.	Nature of service furnished.	Hours during which the station is open.	Shipboard rate per word in francs, minimum rate per radiogram in francs (1) War vessels (2) Merchant vessels.	Remarks. (When necessary name and address of the party working the station.)

SUPPLEMENT TO ARTICLE XXII OF THE REGULATIONS.

List of Abbreviations to be used in Radio Communications.

Abbreviation.	Question.	Answer or Notice.
1	2	3
— • — • — — • —	(C Q).	Signal of enquiry made by a station desiring to communicate.
— • — •	(T R).	Signal announcing the sending of particulars concerning a station on shipboard (Art. XXII).
— — • • — —	(!).....	Signal indicating that a station is about to send at high power.
PRB	Do you wish to communicate by means of the International Signal Code?	I wish to communicate by means of the International Signal Code.
QRA	What ship or coast station is that?	This is .....
QRB	What is your distance?	My distance is .....
QRC	What is your true bearing?	My true bearing is ..... degrees.
QRD	Where are you bound for?	I am bound for .....
QRF	Where are you bound from?	I am bound from .....

List of Abbreviations to be used in Radio Communications—Continued.

Abbreviation.	Question.	Answer or Notice.
1	2	3
QRG	What line do you belong to?	I belong to the ..... Line.
QRH	What is your wave length in meters?	My wave length is ..... meters.
QRJ	How many words have you to send?	I have ..... words to send.
QRK	How do you receive me?	I am receiving well.
QRL	Are you receiving badly? Shall I send 20. • • • ▬ • for adjustment?	I am receiving badly. Please send 20. • • • ▬ • for adjustment.
QRM	Are you being interfered with?	I am being interfered with.
QRN	Are the atmospherics strong?	Atmospherics are very strong.
QRO	Shall I increase power?	Increase power.
QRP	Shall I decrease power?	Decrease power.
QRQ	Shall I send faster?	Send faster.
QRS	Shall I send slower?	Send slower.
QRT	Shall I stop sending?	Stop sending.
QRU	Have you anything for me?	I have nothing for you.
QRV	Are you ready?	I am ready. All right now.
QRW	Are you busy?	I am busy (or, I am busy with .....). Pleas do not interfere.
QRX	Shall I stand by?	Stand by. I will call you when required.
QRY	When will be my turn?	Your turn will be No. .....
QRZ	Are my signals weak?	Your signals are weak.
QSA	Are my signals strong?	Your signals are strong.
QSB	Is my tone bad? Is my spark bad?	The tone is bad. The spark is bad.
QSC	Is my spacing bad?	Your spacing is bad.
QSD	What is your time?	My time is .....
QSF	Is transmission to be in alternate order or in series?	Transmission will be in alternate order.
QSG	- - - - - - -	Transmission will be in series of 5 messages.
QSH	- - - - - - -	Transmission will be in series of 10 messages.
QSJ	What rate shall I collect for .....?	Collect .....
QSK	Is the last radiogram cancelled?	The last radiogram is cancelled.
QSL	Did you get my receipt?	Please acknowledge.
QSM	What is your true course?	My true course is ..... degrees.
QSN	Are you in communication with land?	I am not in communication with land.
QSO	Are you in communication with any ship or station (or: with .....)?	I am in communication with ..... (through .....).
QSP	Shall I inform ..... that you are calling him?	Inform ..... that I am calling him.
QSQ	Is ..... calling me?	You are being called by .....
QSR	Will you forward the radiogram?	I will forward the radiogram.
QST	Have you received the general call?	General call to all stations.
QSU	Please call me when you have finished (or: at . . o'clock)?	Will call when I have finished.
QSV	Is public correspondence being handled?	Public correspon lence is being handled. Pleas do not interfere.
QSW	Shall I increase my spark frequency?	Increase your spark frequency.
QSY	Shall I send on a wave length of ..... meters?	Let us change to the wave length of ..... meters.
QSX	Shall I decrease my spark frequency?	Decrease your spark frequency.

Public correspondence is any radio work, official or private, handled on commercial wave lengths.

When an abbreviation is followed by a mark of interrogation, it refers to the question indicated for that abbreviation.

EXAMPLES.

Stations.

A	Q R A?	What is the name of your station?
B	Q R A Campania	This is the Campania.
A	Q R G?	To what line do you belong?
B	Q R G Cunard Q R Z	I belong to the Cunard Line. Your signals are weak.

Station A then increases the power of its transmitter and sends:

A	Q R K?	How are you receiving?
B	Q R K	I am receiving well.
	Q R B 80	The distance between our stations is 80 nautical miles.
	Q R C 62	My true bearing is 62 degres, etc.

Certifié conforme à l'original déposé aux archives du Ministère des Affaires Étrangères de Sa Majesté Britannique.

EYRE A. CROWE
Sous-Secrétaire d'État pour les Affaires Étrangères.
Londres, le 20 septembre, 1912.

And whereas the said Convention has been duly ratified by the Government of the United States of America, by and with the advice and consent of the Senate thereof, and by Belgium (and the Belgian Congo), Denmark, Egypt, Germany, Great Britain, Italy, Monaco, Netherlands, the Netherlands Indies, and the Colony of Curaçao, Roumania, Russia, Siam, and Spain, and the ratifications of the said Governments were, by the provisions of Article 23 of the said Convention, deposited by their respective Plenipotentiaries with the Government of Great Britain.

And whereas the Senate of the United States gave its advice and consent to the ratification of the said Convention with the following understanding: "that nothing in the Ninth Article of the Regulations affixed to the Convention shall be deemed to exclude the United States from the execution of her inspection laws upon vessels entering in or clearing from her ports."

Now therefore, be it known that I, Woodrow Wilson, President of the United States of America, have caused the said Convention and annexes to be made public, to the end that the same and every article and clause thereof may be observed and fulfilled with good faith by the United States and the citizens thereof, subject to the said understanding.

In testimony whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

Done at the City of Washington this eighth day of July in the year of our Lord one thousand nine hundred and thirteen,
[SEAL.] and of the Independence of the United States of America the one hundred and thirty-eighth.

WOODROW WILSON

By the President:
W. J. BRYAN
Secretary of State.

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